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Automotive News®

June 12, 1989

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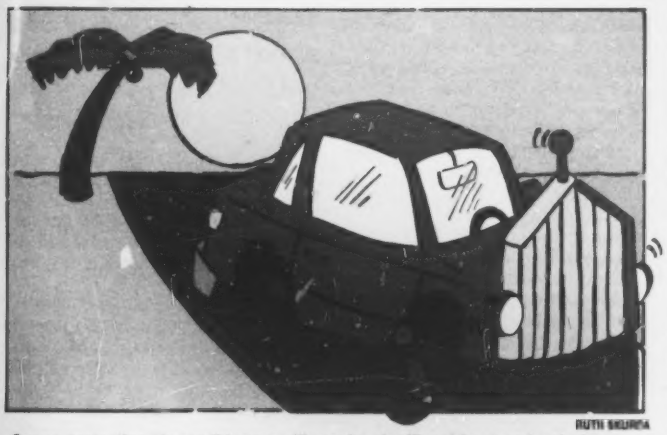

RUTH SHURKA

Ozone-protecting air conditioners will require significant front-end redesign

New air conditioners will reshape bodies

By Jack Keebler
AUTOMOTIVE NEWS STAFF REPORTER

Sweeping changes in automobile front-end structure and styling will be required quickly, as state and federal governments ban automotive air conditioning systems using chlorofluorocarbons.

Car-company and refrigerant-company engineers agree that non-CFC systems will quite likely be bigger, heavier, more fuel-thirsty and more expensive than current systems using the refrigerant R-12, commonly known by DuPont's trade name, Freon.

R-12 is the current refrigerant of choice for all automobiles. But because of worldwide environmental concerns over ozone damage and global warming, a new, non-CFC cooling medium called HFC-134a has been proposed as the most likely near-term, cost-effective R-12 replacement.

Auto company experts said that they're not sure when 134a systems will be available — but that 1993 is far too soon to expect production hardware.

Vermont was the first state to ban the use of CFCs, starting in the 1993 model year. Other states appear to be following its lead.

"There are probably 18 states out there, with over 70 pieces of legislation pending, and frankly we're afraid that could mean that all of these states would have unique requirements," said Gary Clickard, a product development engineering manager for Ford Motor Co.

A survey of domestic, Japanese and European car companies confirmed that they are already conducting hot-weather, "Death Valley-style" testing on vehicles fitted with prototype 134a systems.

Because of the different chemical composition and inherently poorer heat-exchange ability of R-134a, expensive redesign challenges confront not only air conditioning-system developers but also stylists and front-end structure engineers.

see FREON, page 66

Massacre in China clouds outlook for auto ventures

The future of several automotive ventures in the People's Republic of China grew more tenuous last week in the wake of the government massacre of protesters and onlookers by the People's Army.

Chrysler Motors Corp. and some other automakers have recalled their employees from China.

Chrysler staff and families flee China, Page 66

Toyota, which recently signed a long-negotiated deal to build a van in China, pulled its employees out last week.

While production is continuing in some provinces, work was disrupted at urban plants including Beijing Jeep, in which Chrysler has an interest, and Shanghai-Volkswagen. The turmoil raises questions about the future of existing projects as well as those just getting under way.

Chrysler evacuated its 13 employees from Beijing Jeep. And all Japanese companies, acting on instructions from the Japanese government, ordered their personnel out of China.

Foreign news sources estimate that thousands of civilians have been killed since the People's Army moved on Tiananmen Square on Sunday, June 4. Hard-liners in the government had gained the upper hand and declared martial law in the capital city of Beijing.

Much of the business in China is built on personal relationships, and even an established venture like Shanghai-VW could be threatened by the protests and crackdown.

The VW operation's main ally in the Chinese bureaucracy is Shanghai Mayor Zhu Rongji, a staunch supporter of ousted Communist Party leader Zhao Ziyang, a liberal who backed reforms. It remains to be seen whether that connection will hurt VW's position.

Some Western automakers with operations away from Beijing have kept their workers on the job. Volkswagen AG evacuated some employee dependents. Peugeot SA has not called on its 30 employees at Guan Gzhou Peugeot Automobile Co. to leave the country.

A Peugeot spokesman said the plant in Huang-pu, which produced about 6,000 trucks and 505 station wagons last year, is 1,200 miles from Beijing and the situation is not as critical as in the capital. He said the

see CHINA, page 66

Chinese students and other residents demonstrate in Beijing prior to June 4 violence

GAMMA-LIASON/CWP HIRES

'90 sales forecasts

10 predictions vary by 2.4 million units

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

A mid-year survey of auto analysts and Big 3 forecasters reveals wide uncertainty over whether this year's sales decline will fade quietly or cascade into a larger fall through 1990.

Transplants move up on sales charts, Page 6

The question has become more complex because the current slump — though anticipated — has come in the face of unexpectedly strong sales incentives. In the process, the U.S. industry appears headed to fall below 15 million car and truck sales for the first time since 1984.

For 1990, two of the Big 3 automakers are already reading starkly different messages from their crystal balls.

On June 1, Chrysler Corp. Chairman Lee Iacocca told Reuters news service that sales in 1990 could drop by 1 million or 1.5 million units. "The next 18 months are going to be fairly tough," Iacocca said.

General Motors, on the other hand, believes sales could inch upward from their projected 1989 finish in the 15 million range.

So far, Ford Motor Co. isn't venturing any guesses beyond 1989. It began the year with one of the industry's rosiest forecasts — 15.4 million. After interest rates rose more quickly than expected and sales lagged, Ford scaled back its prediction to 15 million.

see FORECASTS, page 60

Iacocca: Sales may drop 1.5 million

NHTSA denies delaying light-truck safety rules

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Nineteen powerful senators have accused NHTSA of endangering lives by foot-dragging on safety standards for light trucks and minivans used as passenger vehicles.

The commerce committee's criticism of NHTSA underlines a growing concern that projects are taking longer because the Bush administration has not named an administrator who can establish priorities.

All but one member of the Senate Committee on Commerce, Science and Transportation signed a terse letter asking Transportation Secretary Samuel Skinner to mandate passenger-car safety standards for vans, pickups and sport-utility vehicles, known as multi-purpose vehicles or MPVs.

The committee oversees NHTSA.

The May 22 letter demanded that light trucks have side-impact protection, minimum roof-crush resistance, head restraints, minimum stability to protect from rollovers, high center-mounted rear brake lights, and passive restraints. (See story on NHTSA plans, page 65.)

Only Sen. Wendell Ford, D-Ky., declined to sign. Ford's office had no comment.

Former NHTSA Administrator

see SAFETY, page 65

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clean-air options on alternative fuels Page 2

GM fights lessors on overseas sales Page 3

Tough times in U.S. for Peugeot, Sterling Page 4

New image helps Nissan rise at home

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Nissan Motor Co. has revamped its once stodgy image and is putting pressure on Toyota Motor Corp. and Honda Motor Co., at least in the Japanese market.

Just two years ago, Nissan was known for boring products. Now, fad-conscious young Japanese want to be seen in a Nissan car, according to analyst Stephen Usher of Kleinwort Benson International.

In a market where fads are a powerful factor, that appeal could sustain further growth for Nissan, Usher said.

After a long, slow, continuous decline, Nissan is finally seeing an upswing in its share of the Japanese market. For the first time in eight years, Nissan is making gains — at the expense of Toyota and Honda.

Nissan has been conducting an aggressive sales campaign since January, right through what was supposed to be a slow period as consumers put off car purchases in anticipation of lower taxes that went into effect April 1.

In the first five months of this year, Nissan gained 1.2 percentage points in market share to 24.5 percent, while Toyota lost 1.2 percentage points to 41.6. In that five-month period, Honda was down half a point to 7.3 percent.

Honda's youthful image gives it a greater presence in the market than its sales figures would indicate.

Market share is usually an important concern for Japanese companies. And movement in share is painstakingly slow. Honda Director Takashi Matsuda said it can take three to five years to see a change of only one or two points.

But Matsuda minimized the importance of market share. He said Honda has set a target of 685,000 sales for this year, an increase of 11 percent. Hitting that target is Honda's goal, regardless of what Nissan does, according to Matsuda.

Koji Mitani, Toyota assistant general manager for domestic planning, acknowledged that Nissan may be on the up side of a cycle, and Toyota and Honda on the down side. But he said it is "only a cycle, not a trend." A cycle, according to Mitani, could last about a year.

Nissan's upswing in market share does not mean Toyota and Honda are hurting. But it does mean Nissan has been outperforming its rivals. In May, the overall market showed a gain of 21 percent. Toyota's sales were up 20.6 percent; Honda's sales climbed 21.8 percent; and Nissan's sales rose 24.9 percent.

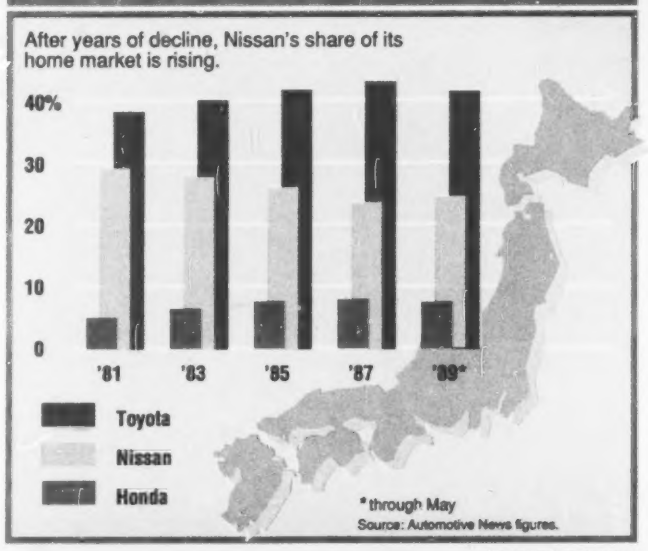
Part of that increase can be attributed to a new generation of products introduced by Nissan in the past year, while Honda and Toyota have had fewer new-product launches.

In April, the first month of the new tax program that was expected to lead to increased sales, Honda Prelude sales were off 16.6 percent to 4,081 units compared to 6,513 for Nissan's recently restyled Silvia (240SX).

One analyst said the raft of new models has generated a "halo" effect around the Nissan name. Usher said Nissan is now popular and Honda finds itself competing against the whole company's image and not just new models like the Silvia.

see JAPAN, page 69

Japan's domestic market



AUTOMOTIVE NEWS / C. WINTER

Restyled Skyline is one of the models leading Nissan's surge in Japan

GM fights lessors on overseas sales

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — As its North American-built cars become more popular overseas, General Motors is cracking down on U.S. lease companies that use fleet discounts to sell cars below wholesale price to overseas dealers.

GM officials estimate that as many as 25,000 North American-built GM vehicles a year are sold overseas outside official channels — through brokers or the gray market.

Dale R. Hermiller, executive in charge of GM's international export sales, said overseas brokering activity is "out of hand" in some markets, and the group has asked GM's car divisions for help in locating lease companies and brokers involved.

Lease companies using their fleet discounts to sell to overseas dealers or their U.S. brokers are in danger of losing their fleet discount privileges with GM, according to Hermiller.

GM is also advising its U.S. dealers not to sell to brokers who export to countries where GM has franchised dealers. Dealers who continue to sell to exporting brokers may lose their GM franchises.

"We've reported 1,500 vehicles (through vehicle identification numbers) in the last year," said Hermiller, who added that GM car divisions were asked to help with the brokering effort about six months ago.

"I think the fact that we've checked up on that many cars lets the dealer network here (in the United States) know someone is watching," he said. "It's kind of like that fear of an audit."

GM sources said many of those

see GM LEASE, page 65

New GM vehicles to go overseas quickly

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Overseas customers will be able to purchase new North American-built General Motors vehicles in the next year not long after they are introduced in the United States.

GM is rolling out its new North American-built products in some overseas markets almost simultaneously with their introduction at home, according to Dale R. Hermiller, executive in charge of GM's international export sales.

- Chevrolet's super-high-performance Corvette ZR-1 is scheduled to debut in Europe in the first quarter of 1990, just months after its planned U.S. introduction in the fall of 1989.
- Trans Sport, Pontiac's plastic-bodied minivan, will appear in Europe in the first quarter of 1990 after it is introduced in the United States in the fall of 1989. Pontiac also will send its four-door Grand Prix to Europe this fall. GM has no current plans to offer the Oldsmobile or Chevrolet all-purpose vans overseas.
- Chevrolet's four-door Blazer will debut in late spring 1990 in Europe following its spring introduction at home, Hermiller said.

Both the Trans Sport and the Blazer could be launched in other markets, such as the Middle East and Taiwan, if GM finds a demand for them.

- The redesigned Chevrolet Caprice will debut early next spring in overseas markets, primarily the Middle East where full-sized American cars have traditionally sold well. The Middle East will also get the four-door Grand Prix in the first quarter of 1990.

GM also is expanding its overseas dealer network. It plans to add 30 to 40 outlets in the next year, mainly in Europe.

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64th year—No. 5291

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Editorial & Business Offices ..(313) 446-6000

AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in May at 1400 Woodbridge, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 965 E. Jefferson, Detroit, MI 48207.

Nissan will promote Infiniti as no-option car

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

VICTORIA, British Columbia — Nissan Motor Corp. in U.S.A. will market the Infiniti Q45 sedan and M30 coupe as no-option, fully-equipped cars when they go on sale Nov. 8.

Besides dealer-installed options of compact disc players and cellular telephones, the only option on either car will be a Q45 touring package with Nissan's Super HICAS four-wheel-steering system, tighter suspension and different alloy wheels and tires.

Pricing won't be announced until September, but the Q45 base will be very close to $40,000 — or just under that figure if the current yen-dollar exchange rate holds — and the M30 will be "in the mid-$20,000s."

That puts the flagship slightly above Toyota's base price of $35,000 for its Lexus LS400 flagship sedan and almost even with Jaguar's XJ-6 (its closest competitor from a styling standpoint), which now is offering a $5,000 rebate on a $44,000 price tag.

The Infiniti two-door M30 differs from the four-door Lexus ES250, and it will be slightly more expensive than the $21,050 Toyota.

But Lexus' 10 extra-cost options on the LS400 and four on the ES250 add significantly to their prices. The ES250 stops at $23,650, still the M30's likely price, but the top-line LS400 can be optioned up as high as $43,300. Lexus is already so conscious of this that for several months it will not ship to any dealer an LS400 with options that push the sticker past $40,000.

A base price of roughly $40,000 is expected for Infiniti's flagship, the Q45

In a test ride here, the Q45's riding qualities reflected the attention Nissan engineers paid to European luxury cars such as BMW 735i, Mercedes 300E and 420SEL and Jaguar XJ-6. The long wheelbase and rigid structure of the design produce a stable, comfortable ride, with no discernable driver fatigue during a four-hour drive. Steering is precise, accurate and surprisingly crisp for a 3,860-pound car.

The 4.5-liter, 32-valve V-8 engine is quiet and vibration-free. Peter Harris, Infiniti's corporate product development manager, said the engine, based on normal manufacturing averages, will produce 278 horsepower and 292 pounds-feet of torque. The four-speed automatic transmission will let the engine wind out to 6,500 rpm before shifting under full throttle.

The M30, which is based on the Japanese-market Leopard coupe, retains much of that car's Japanese styling and proportions. Front and rear legroom and headroom are limited. Headroom problems are compounded by a standard power sunroof.

Mounted on this five-year-old chassis are several newer technological features including a suspension that automatically adjusts to changing road conditions. The key ingredient is Nissan's ultrasonic sonar system that "reads" the road surface ahead. Combined with sensors that measure steering, throttle and suspension travel, it automatically adjusts the shock absorbers to one of three settings for varying conditions. On the test drive, the system worked smoothly and almost imperceptibly.

Power is from a 3-liter V-6 that produces 162 hp and 180 pounds-feet of torque.

Transplants climb on U.S. sales charts

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

May sales of cars and light trucks in the United States slipped 1.15 percent below last year's strong performance despite heavily reinforced incentives and one extra selling day.

The sole bright light was a 1.21 percent increase in sales of cars built in the United States. And that was due chiefly to big improvements in sales of cars built by the non-traditional U.S. plants — the Japanese transplants and joint ventures — although General Motors sold a handful more domestic cars than in May 1988.

In contrast, import-car sales fell 3.54 percent, and light-truck deliveries were off 0.06 percent for domestics and 20.45 percent for imports.

Transplants of Honda, Toyota and Mazda led the increase in car sales for May. Mitsubishi set an any-month sales record, thanks to Eclipses from its Diamond-Star Motors joint venture with Chrysler Corp. Mitsubishi's combined transplant and import-car sales were up 76.43 percent over May 1988.

Nissan's transplant car sales lagged, but its combined import and domestic car sales were up.

Transplants and joint ventures have been steadily increasing their sales in the United States, and in May they accounted for 9.95 percent of the cars sold in this country. That was up from 7.42 percent last year.

Nearly three times as many of the cars built by those plants are sold through import-car networks as through domestic outlets. In May, for example, Japanese-branded cars built in the United States accounted for 70,942 sales, while 25,577 cars built at joint-venture plants were sold as Fords, Eagles and Chevrolets.

In an industry in which one percentage point of market share is worth billions of dollars in sales, the 2½-point gain by the transplants is noteworthy. It came at the expense of the Big 3's traditional plants, whose share was down about 1½ points, as well as imports, which were down more than one point from May 1988.

Transplants will continue to gain market share, according to most industry analysts, because their car and light-truck production capacity will grow. The Philadelphia-based research firm Autofacts Inc. projects transplants' current capacity of 1.5 million units (without overtime) will grow to 2.4 million units annually by 1992.

Analysts say there is a chance for the Big 3 to recover some unit sales, but it is going to be tougher for them to sustain market share because of what the analysts call further "dilution in the market." The transplants are extending a dilution process that began years ago when the imports became a major factor in the U.S. market.

"It's three companies against 33," explained Joseph Phillippi, a Shearson, Lehman Hutton analyst,

see SALES, page 68

IMPORTED CAR SALES

	May 1989	May 1988	5 Mos., 1989	5 Mos., 1988
Acura	13,483	10,818	56,982	49,913
Alfa Romeo	223	338	1,465	2,223
Audi	1,722	1,964	7,413	9,311
BMW	5,632	5,742	29,008	28,633
Chevrolet	11,271	11,096	47,280	51,069
Chrysler	833	1,154	3,392	4,356
Daihatsu	1,227	921	5,622	4,261
Dodge	3,430	4,979	17,254	23,893
Ford	5,660	5,659	31,440	29,182
Eagle	2,256	696	12,552	7,890
Honda	26,134	19,831	100,690	99,373
Hyundai	16,254	24,629	82,753	120,452
Isuzu	1,975	2,379	8,044	8,807
Jaguar	1,650	1,809	7,477	7,989
Maserati	28	83	139	430
Mazda	19,655	20,263	87,788	95,919
Mercedes-Benz	6,104	8,269	29,186	35,912
Mercury	690	1,365	3,971	4,579
Mitsubishi	8,715	6,415	29,424	28,742
Nissan	38,585	29,753	171,258	153,112
Peugeot	582	755	2,566	2,714
Plymouth	3,360	4,676	16,080	21,588
Pontiac	5,218	6,237	20,759	26,950
Porsche	1,003	1,303	3,600	7,252
Saab	3,196	3,107	13,807	15,705
Sterling	653	632	2,788	4,232
Subaru	10,181	12,691	60,489	60,724
Suzuki	460	0	2,460	0
Toyota	44,084	57,917	189,423	228,572
Volkswagen	15,279	12,906	57,355	61,249
Volvo	9,258	8,369	43,348	40,468
Yugo	936	2,510	4,267	14,531
TOTAL	259,737	269,266	1,150,080	1,250,031

*—Volkswagen totals include U.S.-built models sold after June 30,1988.

U.S. car sales

Figures show percent share of U.S. market by source.

Built by:	1988	1989
Big 3	64.85	63.28
Transplants & Joint Ventures	7.42	9.95
Foreign	27.72	26.77

Source: Automotive News figures.

156 counts in odometer fraud case

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Bill Nuckolls, auto wholesaler and part-owner of the Orange County Auto Auction in Orlando, Fla., said he cooperated with a state task force for more than a year in its probe of odometer tampering in Florida.

Nuckolls says he gave the attorney general's Odometer Fraud Task Force every scrap of information it asked for about the auction and his other business, Bill Nuckolls Cars.

Then on May 16, the requests stopped. Florida Department of Law Enforcement agents and Florida Highway Patrol troopers raided Nuckolls' Orlando used-car office and arrested him on charges of selling more than 100 cars with rolled-back odometers.

Last week, Nuckolls was arraigned in Orange County Circuit Court and pleaded innocent to 156 felony counts associated with odometer fraud.

The state says the cars were sold to 12 new- and used-car dealerships in Florida and Georgia, and the dealers may have to reimburse their customers.

Nuckolls is part-owner of the auction with Southeast Toyota Distributors, distributor for Toyota Motor Sales U.S.A for Florida, Georgia, Alabama, North Carolina and South Carolina.

Southeast Toyota owns 50 percent of the auction and plans to build at least two more — in Fort Lauderdale, Fla., and Atlanta — with Nuckolls.

Nuckolls said his relationship with Southeast Toyota is unchanged.

He faces life imprisonment if convicted of the charges, which include 103 counts of grand theft, seven counts of forgery, seven counts of title fraud, 36 counts of odometer fraud and one count each of racketeering, conspiracy to racketeer and organizing a scheme to defraud. He was released on $25,000 bond.

Troopers also arrested six associates and employees of Nuckolls on charges related to odometer fraud.

Bob Leventhal, Nuckolls' attorney, said Nuckolls is a victim of the task force on odometer fraud. Leventhal said the task force was funded 15 months ago by the federal government and was running out of money without any indictments.

"The arrests were made for the 6 o'clock news," he said.

According to Leventhal, the state had promised that Nuckolls would be given a chance to answer any charges before arrests were made in exchange for his cooperation.

"We didn't even get a phone call they were coming," he said.

Simultaneous to the criminal charges, the attorney general filed a civil racketeering complaint in Orange County Circuit Court seeking to seize title to four parcels of property owned by Nuckolls. Those include Bill Nuckolls Cars, Dan-Lyn Motors and the now-dissolved Crystal Auto Sales. The property has been appraised at more than $1.2 million.

In 1981, Nuckolls pleaded guilty to three counts of odometer tampering. It was only a misdemeanor at that time.

Associates buyer still being sought by Paramount

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Paramount Communications is moving closer to the sale of its giant Dallas-based finance company, Associates Corp. of North America.

Associates is the parent company of Chicago-based Associates Commercial Corp., the largest independent financing company in the heavy-truck field.

Since April, Paramount, formerly known as Gulf + Western, has been soliciting bids for Associates through New York investment banking firm Lazard Freres, and appears close to accepting one of those bids.

The company said proceeds from the sale of Associates would be used to expand Paramount's communications operations globally, both internally through product development and externally through acquisitions and investments.

Paramount would not disclose exactly how close it was to a decision on the sale. "It's progressing," a spokesman said.

Last week Paramount made a $10.7 billion tender offer bid for Time Inc. The sale of Associates could help fund that unfriendly takeover attempt.

Meanwhile, the proposed merger of Time Inc. and Warner Communications, announced in March, is still pending.

Associates, valued at between $2.5 billion and $5 billion, is the third-largest independent finance company in the United States behind General Electric Capital Corp., Fairfield, Conn., and Household Finance Corp., Chicago.

Auto finance giants General Motors Acceptance Corp. and Ford Motor Credit Co. are among the companies that financial analysts believe could be potential suitors.

Though GMAC and Ford Credit last week declined to comment on their interest in Associates, some financial analysts rank the two auto finance companies high on the list of potential buyers.

Frank Prezelski, financial analyst with Deutsche Bank Capital Corp., New York, said "with GMAC and Ford you're clearly looking at companies that are used to financing trucks."

If GMAC were to acquire Associates it would produce less of a conflict of interest than for Ford, he added, because Ford still produces and sells Class 8 heavy trucks. GM has dropped out of heavy-truck production, though it has a venture with Volvo, called Volvo GM Heavy Truck.

Associates provides supplementary financing through manufacturer agreements with all heavy-truck manufacturers and their dealers, excluding Mack Trucks, Allentown, Pa.

It also provides financing for medium-duty manufacturers like Nissan Diesel America and Mercedes-Benz Truck, plus retail financing for fleet and independent truck operators.

In addition to the two captive auto finance companies, other likely suitors are GE Capital, Sears, Roebuck and American Express, according to sources in the financial community.

Associates is currently in the process of transferring Associate Commercial's headquarters from Chicago to Dallas, including the transfer of 110 managers.

Associates had assets and receivables in excess of $13 billion for its fiscal 1988 year ended Oct. 31. Last week, the company reported record earnings of $152 million for the six months ended April 30, 1989, up 17 percent over the same period last year.

Reece A. Overcash Jr., Associates chairman and chief executive officer, said both consumer and commercial lending operations had gains over last year.

The company reported revenue of $1.1 billion for the six months, up 19 percent from $960 million last year. It reported gross finance receivables of $14.0 billion, up about 16 percent from the year-earlier period.

Commercial finance gross receivables, the bulk of which are in heavy-truck and trailer financing, totaled $6.1 billion on April 30, up 11 percent from $5.5 billion a year earlier. Commercial finance volume for the period was $3.1 billion, up 11 percent over last year.

In the past two years Associates has acquired the finance companies of the heavy-truck industry's two largest trailer manufacturers. In 1987 it purchased Fruehauf Finance Co. from Fruehauf Corp., Detroit. In 1988 it acquired Great Dane Finance from Great Dane, Savannah, Ga.

GE Capital expands in auto field, buys Transamerica finance firm

GE Capital Corp.'s acquisition last week of Transamerica Automotive Finance Corp., based in Chicago, for an undisclosed amount means the company is continuing to stalk the automotive industry for likely candidates to strengthen its automobile dealer services business.

Transamerica, which has assets of $300 million, provides floorplanning and other financial services to about 300 auto dealers throughout the nation. The operation will be consolidated into GE Capital Auto Financial Services.

GE Capital's goal is to become the largest non-captive lender to auto dealers in the United States, according to company officials. The company, based in Stamford, Conn., provides auto dealerships with floorplanning, real estate and capital loans, leasing services, auto auction services and dealership acquisition financing.

The finance giant provides floorplanning to about 85 auto dealers, according to information it filed with the Securities and Exchange Commission last year. The company also makes loans to automobile leasing companies secured by their inventories.

Its real-estate financing includes dealership acquisitions.

Transamerica Automotive Finance Corp. is a subsidiary of Transamerica Corp. It was the former owner of Budget Rent a Car Corp., which it sold to a private investment group in 1986.

— Charles M. Thomas

May sales pep up, but trail 1988

The tempo of light-truck sales picked in May, but the total still fell short of last year's record.

Heavy incentive activity brought May sales of 442,365 in the United States, 3.36 percent below last year's peak of 457,727 for the month.

May represented a strengthening of the sales pace which, for five months of the calendar year, was down 4.17 percent from 1988's level: 1,991,497 compared to 2,078,060.

Ford, Chevrolet and Jeep rebounded sharply in May, each topping its year-earlier performance. Chrysler, GMC and the imports fell below last year's sales.

Isuzu and Range Rover continued to buck the import trend with sharp year-to-year increases.

Penetration of the light-truck market by foreign-based manufacturers dropped to 11.48 percent in May from 13.93 percent a year earlier.

The importers captured 13.18 percent of the market in the first five months of this year, down from 14.34 percent during the same period a year ago.

Full-sized pickups rebounded sharply in May and continued to be the major driving force in the truck market. They accounted for 30.02 percent of total industry sales in May, up from 26.58 percent in 1988.

Ford, Chevrolet, GMC and Dodge retailed 132,833 full-sized pickups in May, 9.16 percent more than last year's 121,685.

Ford and General Motors are the big guns in that segment. Each sold more than 50,000 full-sized pickups in May.

Dodge, however, continued to languish in that all-important market class with sales of 7,850 units, down from 8,345 a year earlier.

LIGHT-DUTY TRUCK SALES

	May 1989	May 1988	5 Mos., 1989	5 Mos., 1988
Vans	16,432	17,307	73,225	81,507
Aerostar	18,941	17,047	83,471	80,172
Club Wagon	2,840	2,913	11,439	12,354
Ranger	24,799	26,121	115,780	126,127
Bronco	4,930	4,619	25,840	23,025
Bronco II	9,358	10,781	45,127	50,180
Pickups	57,854	55,180	254,065	258,107
Ford	**135,154**	**133,968**	**608,947**	**631,472**
Vans	12,392	12,891	46,574	57,969
Sportsvan	1,324	1,495	4,686	6,779
Geo Tracker	777	0	3,701	0
Astro	13,774	16,182	56,844	71,002
S-10	20,941	20,320	96,474	99,647
S-10 Blazer	14,879	17,666	71,475	67,596
El Camino	0	15	0	405
Blazer	2,018	2,707	9,604	12,642
Suburban	6,208	6,562	26,356	27,403
Pickups	50,982	44,888	228,810	215,868
Chevrolet	**123,295**	**122,726**	**544,526**	**558,311**
Vans	8,841	[illegible]	32,526	26,373
Ram Wagon	2,886	2,481	11,431	11,636
Voyager	18,379	21,710	80,125	83,383
Caravan	20,514	22,295	88,099	90,338
Mini Ram Van	1,193	2,176	6,395	8,20[illegible]
Ram 50	2,720	5,577	13,134	27,038
Raider	994	483	2,811	2,944
Ramcharger	1,755	1,373	9,613	8,806
Dakota	7,997	8,512	40,618	41,648
Pickups	7,850	8,345	38,910	38,508
Chrysler	**73,129**	**78,310**	**323,662**	**338,875**
Vans	4,711	5,889	17,432	21,156
Safari	3,221	4,096	13,579	14,708
S-15	5,161	4,736	21,977	21,200
S-15 Jimmy	3,866	4,802	17,840	16,381
Jimmy	563	854	2,800	3,498
Caballero	0	1	0	56
Suburban	2,201	2,692	9,558	9,799
Pickups	16,147	13,272	65,357	59,926
P Model	330	315	1,694	1,781
W-4	182	109	615	584
GMC	**36,382**	**36,766**	**150,852**	**149,089**
Wrangler/CJ	5,625	4,469	21,438	16,860
Wagoneer	533	695	2,821	3,789
Cherokee	13,954	12,044	60,483	57,764
Grand Wagoneer	924	1,061	4,466	5,333
Comanche	2,593	3,846	11,789	17,298
J-10/J-20	0	101	0	221
Jeep	**23,629**	**22,216**	**100,997**	**101,265**
Toyota	20,408	23,714	91,995	100,848
Nissan	9,009	14,309	66,168	69,896
Mazda	6,946	8,936	35,757	44,449
Isuzu	8,018	6,781	37,647	31,642
Mitsubishi	3,653	3,705	17,437	20,815
Suzuki	2,351	6,074	11,519	29,022
Subaru	0	0	0	9
Range Rover	391	222	1,990	1,367
Imports	**50,776**	**63,742**	**282,513**	**298,048**
Industry Total	**442,365**	**457,727**	**1,991,497**	**2,078,060**

Compiled by Karen Dellowski

Big-truck worlds vary

U.S. market looks strong; Europe is iffy

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Despite a potential sales downturn later this year or early next year, the long-term outlook for the U.S. heavy-truck industry in the early 1990s is strong.

But the European Common Market integration in 1992 is likely to cause a major shakeout and a sharp decline in sales similar to that following deregulation of the trucking industry in the United States in the early 1980s.

Those are some of the highlights of a major new study of the heavy-truck market by the Deutsche Bank Group of New York. The study is entitled "The Global Market for Trucks and Truck Components."

The study calculated that, on the basis of a U.S. fleet of 1.2 million Class 8 vehicles, with a vehicle life of about 10 years, replacement demand is 120,000 units a year. The need for growth is calculated at 2 to 3 percent a year, adding 24,000 to 36,000 units annually.

That suggests the true base level of U.S. demand for heavy-duty trucks is about 150,000 units annually, comparable to the 148,361 Class 8s sold in 1988.

Additionally, deregulation and a reduction in the overall total aged the fleet so that an estimated 300,000 vehicles now are more than 10 years old and should be retired, the study said.

Deregulation aged the fleet by reducing operators' profit margins and forcing them to keep trucks in service longer than normal.

If there are tougher new federal requirements for performance and safety, many of those will "likely be ruled off the road by government fiat," further bolstering demand, the study added.

The study noted that the uniqueness of each geographical truck market is such that there is no significant foreign competition in sight for the U.S. heavy-truck market and only minimal competition for the medium-duty market.

It pointed out that the shakeout in North American truck manufacturers is just about completed. Barring poor management, it is unlikely that any company in the United States will approach bankruptcy.

But for the near term, the study sees the possibility of a downturn. Separately, a recent slowdown in new-vehicle orders for production during the next few months has begun to confirm that.

Meanwhile, Deutsche Bank's study also noted that European truck demand is currently strong, with most manufacturers operating at or near capacity.

Compared to the United States, manufacturers have been better able to raise prices, enabling them to boost profits significantly.

European heavy-truck demand is being affected by:

- Changes in the truck operating environment, leading to greater growth in two segments of the long-haul market. The trend is toward larger vehicles with more powerful engines — the exact opposite of U.S. trends. It is also toward smaller medium-sized vehicles for local hauling in contrast to the United States where the trend is toward either very small vehicles or larger medium-sized vehicles.
- Changes in sizes of fleets. European distributors are very small by U.S. standards. After 1992, there could be a major move to large pan-European fleets. That would affect the European manufacturers' pricing position, which is current much stronger than that of their U.S. counterparts.
- As noted, 1992 should see an end to highly regulated markets, bringing an upheaval similar to that experienced in the United States. Currently, it is virtually impossible for haulers to compete outside their home markets.

Iveco North America stands pat, won't import new European line

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Iveco Trucks of North America officials said they have no plans to bring to the United States the Daily/TurboDaily models, designed for European driving conditions and requirements.

Larry Snover, senior director of marketing services for the firm, which is based in Blue Bell, Pa., said that if fuel prices were to rise sharply in the United States, there would be heightened interest — possibly strengthening Iveco's North American diesel lineup.

But officials feel that, for the foreseeable future, the EuroTurbo 12-11 and 12-12 four-cylinder diesel-engine aftercooled models adequately fill their North American market requirements.

Separately, James C. Underwood, senior vice president of sales, said that, despite introducing new four-cylinder models in 1989, "We are going to maintain our six-cylinder engine, which is a premium product we've always had in this country."

He characterized the new four-cylinder as "just another niche that we can address in Class 3."

Underwood said that Iveco Trucks of North America also wants to "concentrate on continuing to build a strong dealer base and allow our dealers to make money with their franchise."

Although it has limited information, the company said dealers had one of their best profit years in 1988.

Iveco has about 200 sales and service dealers nationally. It doesn't anticipate increasing that number in the coming year.

The company is also going after the rail chassis market a little more aggressively. With its 10,000-pound GVW chassis, it is looking at the walk-in van market, characterized by bread and bakery trucks, as another opportunity.

It is also beefing up support for its stripped rail chassis. It has an agreement with Utilimaster Motor Corp. of Wakarusa, Ind., to build on its rail chassis. Grumman Olson of Sturgis, Mich., is also producing some units for fleet orders, and an agreement with another Western U.S. body builder is being established.

TRUCK BRIEFS

New Eaton brake

GALESBURG, Mich. — Eaton Corp.'s axle and brake division expanded its line of Extended Service brakes with the addition of an ES-165 heavy-duty brake.

Eaton's ES line is designed to provide extended service life in over-the-road and on/off-highway applications.

It is available with a fabricated shoe design for 23,000- to 26,000-pound gross axle weight rating applications and in a severe-duty design with a cast shoe for both on- and off-highway applications of 26,000 to 30,000 pounds gross axle weight rating.

Retarder market up

INDIANAPOLIS — The growing truck and bus retarder market in the United States generated $135 million sales in 1988, according to a study by Global Trade Consulting of Indianapolis.

Retarders are widely used in trucks and buses to save wear and tear on brake systems, provide smoother stops and additional safety by preventing overheated brakes.

Global Trade estimated that 75 percent of all trucks and more than 50 percent of all buses have a retarder of some type.

The company researched four types of retarders. All can be installed in either trucks or buses, but each type is popular in a specific application.

The most popular is the engine retarder, used primarily on Class 8 trucks and also on highway buses. Other types include electromagnetic retarders and hydraulic retarders, popular on metropolitan buses, and the exhaust brake retarder. It is typically used on Class 8 trucks but with less frequency than the engine retarder.

Idealease grows

CHICAGO — Idealease, like many other truck rental and leasing companies, has been profiting from the strong Class 8 market and the steady trend toward more rental and leasing activity.

Bill Kennedy, president, said he expects members to show a net increase of 1,000 new trucks and tractors in their fleets this year.

Idealease was formerly owned by Navistar International and was designed to help Navistar dealers who lease and rent trucks. It recently became autonomous.

Kennedy, a former vice president of sales for Navistar, joined Idealease last June.

Idealease now has 210 members with 340 outlets. Some 99 percent are Navistar dealers, though it has begun taking on non-Navistar dealers for the first time "in those areas where we don't have representation," Kennedy said.

Idealease members have 11,000 trucks and tractors in service. Kennedy said members will put 3,000 new units into service this year. He expects Idealease members to have 12,000 units in operation by the end of the year.

Rockwell axles

TROY, Mich. — Rockwell International Corp.'s automotive operations added more axle models to its Carrier Exchange Program to increase selling flexibility for North American truck dealers.

The program allows truck dealers to change Rockwell axle carriers in their new-truck inventories to match virtually any truck operator's axle-ratio specifications.

The program now covers 14 axles.

The new RS-160- and 180-series single-drive axles and RT-145- and 160-series tandem axles are the newest models in the program.

Guzzlers face high tax in Ontario

By Alex Law
STAFF CORRESPONDENT

TORONTO — Canada's largest province, Ontario, is imposing a gas-guzzler tax that will add $3,500 ($2,900 U.S.) to the price of some new cars.

The tax, which takes effect July 1, is the most severe of a series of tax changes enacted by the province that make buying and operating a car more expensive.

The gas-guzzler tax is based on fuel economy, specifically, the number of liters of fuel it takes to travel 100 kilometers (62.5 miles), according to government estimates. Minivans, pickups and other trucks are not affected by the tax.

If a car requires 9.5 to 12 liters of gasoline to travel 100 kilometers on the highway (25.0 to 19.7 mpg), a $600 ($497 U.S.) tax is levied. If the car requires 12.1 to 15 liters (19.6 to 15.7 mpg), the tax is $996 ($825 U.S.).

Cars consuming 15.1 to 18 liters (15.6 to 13.1 mpg) to travel that distance are taxed $2,200 ($1,822 U.S.), and those using more than 18 liters (13 mpg or less) pay $3,500 ($2,900 U.S.). There is no tax for cars consuming less than 9.5 liters per 100 kilometers.

Ontario accounts for about 45 percent of the cars sold in Canada. Canadian car sales totaled 1,049,898 units last year.

Importers of European cars are among the hardest hit by the tax.

John Arnone, a Jaguar Canada spokesman, said, "We're very disappointed. It came as a great shock to us. Now we have to ask our customers to pay an additional premium. We must respond to this. An impact study is currently under way. It's difficult to say what the result will be."

In addition, effective in May, all new tires purchased in Ontario are subject to a flat $5 tax. Nick Hall, General Motors' manager of media relations, said the tire tax will cost the automaker $6.7 million ($5.5 million U.S.) annually.

Approximately 80 percent of Canada's auto industry is located in Ontario.

The province raised the motor fuel tax one cent a liter last January and plans to boost it another one cent a liter Jan. 1, 1990.

CANADIAN CAR AND TRUCK SALES

Domestic cars	April 1989	April 1988	4 mos., 1989	4 mos., 1988
General Motors	43,367	37,948	111,576	118,167
Ford	22,216	19,930	60,484	65,584
Chrysler	16,356	15,657	42,214	50,256
Honda	2,525	1,117	9,825	2,941
Volvo	376	188	1,253	628
Domestic car total	**84,840**	**74,840**	**225,352**	**237,576**
Import cars				
Toyota	8,648	6,432	24,841	21,169
Honda	5,197	6,769	15,167	19,833
General Motors	3,630	2,195	9,649	7,192
Chrysler	3,181	1,197	7,832	4,168
Nissan	2,516	2,479	8,616	9,400
Volkswagen	2,513	3,691	8,456	12,464
Mazda	2,411	3,330	8,449	10,380
Hyundai	2,245	3,309	8,630	10,539
Ford	1,516	606	3,125	2,017
Suzuki	471	822	2,228	2,588
Subaru	431	716	1,665	2,075
BMW	420	541	1,515	1,656
Mercedes-Benz	400	370	1,264	1,296
Volvo	261	272	917	1,224
Jaguar	171	201	568	806
Saab	132	125	493	474
Lada	43	122	204	370
Skoda	17	33	86	179
Peugeot	22	57	55	78
Import car total	**34,255**	**33,267**	**103,760**	**107,908**
TOTAL — ALL CARS	**119,095**	**108,107**	**329,112**	**345,484**
Domestic trucks (including vans)				
GM	18,988	17,022	53,677	56,976
Ford	15,548	15,456	48,000	48,841
Chrysler	11,426	11,365	34,244	37,249
Domestic truck total	**45,962**	**43,843**	**135,921**	**143,066**
Import trucks (including vans)				
Toyota	1,620	1,687	5,125	5,211
Mazda	1,616	1,217	5,674	3,554
Nissan	1,119	1,419	4,113	4,621
GM	920	67	2,901	311
Suzuki	453	537	2,276	1,970
Chrysler	328	371	980	1,241
Volkswagen	55	99	180	283
Lada	16	18	66	45
Import truck total	**6,127**	**5,409**	**21,315**	**17,236**
TOTAL — ALL TRUCKS	**52,089**	**49,252**	**157,236**	**160,302**
TOTAL — CARS, TRUCKS	**171,184**	**157,359**	**486,348**	**505,786**

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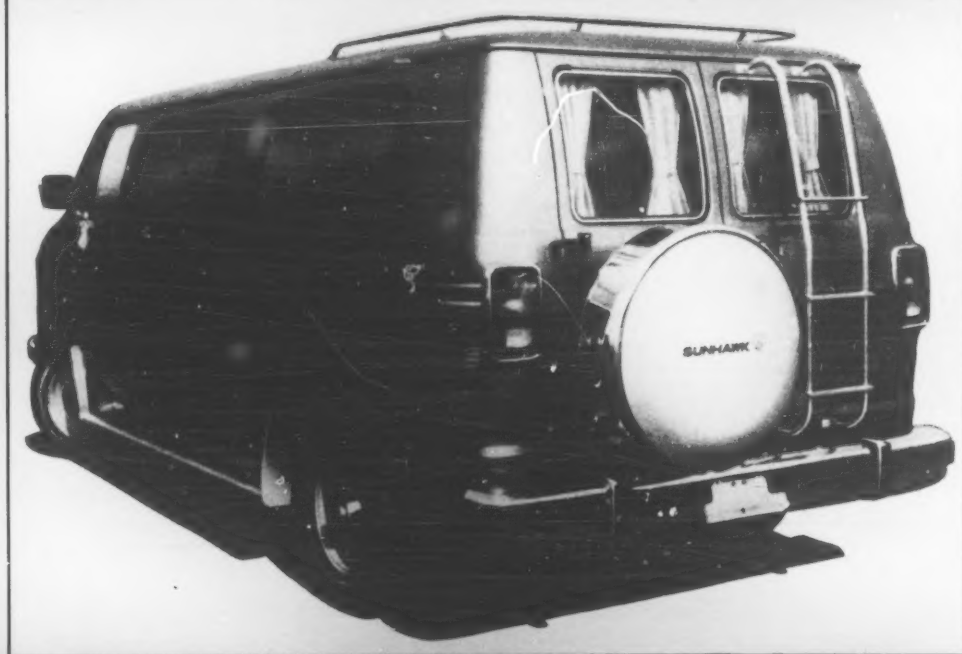

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Sales dip ends in Canada; deliveries rise 8% in April

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — After three months of decline, Canada's new-car and truck sales rebounded in April.

Combined domestic and imported vehicle sales were up 8.79 percent over April 1988, though sales for the January-April period remained 3.84 percent below the year-earlier total.

Ford of Canada posted an April truck record with sales of 15,548 domestic units including vans and minivans. General Motors of Canada had its best truck month ever, selling 19,908 domestic and imported trucks.

While most truck importers registered a sales decline, Mazda and GM were up sufficiently to boost total import truck sales 13.27 percent over April 1988.

Car sales also were a bright spot in April, as domestically built cars climbed 13.36 percent, a 10,000-unit rise. Combined domestic and imported car sales improved 10.16 percent over the year-earlier month, but car sales were off 4.74 percent for the January-April period.

General Motors led with a 14.28 percent sales increase. Chevrolet Cavalier/Pontiac Sunbird sales were up 62 percent, and Cadillac Fleetwood/DeVille models rose 76 percent.

GM credited its low-interest-rate finance program for picking up what it believes is a basically sound market.

"Our 9.9 percent financing program is proving to be very successful as buyers are finding excellent values at GM dealerships," said Bill Atkinson, vice president of sales, service and marketing.

"This certainly is evidence that the underlying demand remains fundamentally healthy when interest rates are at an affordable level," Atkinson said.

Udo Kaul, Ford of Canada's vice president of general sales, echoed that sentiment.

"Since the beginning of the year, all indicators have told us there remains inherently strong demand for new vehicles — if consumer apprehension about interest rates were addressed," Kaul said. "Now that we have low-cost finance rates in place, we have erased the consumer's only objection to buying now in the springtime, our busiest selling season."

Ford's interest rates were as low as 8.9 percent on some vehicles, and the automaker offered a $300 rebate on its best-selling Tempo/Topaz models.

"Extra-value" packages, with savings as high as $2,743 on Escort and Aerostar models, helped boost sales, Kaul said. Escort sales were up 67 percent over April 1988, while Ford's total domestic-car sales were up 11.47 percent.

Chrysler's domestic-car sales were up 4.46 percent over April 1988.

Imported cars managed to gain, although not as much as domestics. Import sales were up 988 units compared with April 1988 for a 2.97 percent rise, led by the captive imports of the Big 3.

Chrysler's import sales were up 165.75 percent, while Ford was ahead 150.17 percent. GM was up 65.38 percent, and Toyota, 34.45 percent.

Nissan Maxima tops Power's new car quality survey

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

A new J.D. Power survey ranks the Nissan Maxima the least troublesome new car on the U.S. market, replacing last year's least troublesome model, the Toyota Cressida.

The 10 top cars on the list, ranked by number of complaints per 100 new owners during the first 90 days, included two Buicks, two Toyotas, two Mercedes-Benz models, two Subarus and one Ford.

The initial quality survey covered 24,300 new car buyers contacted by J.D. Power and Associates.

The marketing firm noted a 12 percent improvement in quality among 1989 models for the industry in general, based on the data. Industry-wide, 153 problems were reported per 100 new owners of all makes, down from 174 last year.

Japanese import models continue to fare the best on the survey. Japanese carmakers average 114 problems per 100 new buyers this year, down from 144 last year, a 21 percent improvement.

Although European imports continue to do the worst, those models showed the greatest improvement this year. Last year, European cars logged 258 problems per new owner. This year, the number is down to 204, the report said.

Domestic carmakers recorded 163 problems per 100 new buyers, down from 177 last year.

The survey results are slightly different when measured by nameplate. Despite the high incidence of problems with European manufacturers collectively, Mercedes-Benz and Porsche individually scored as the two most trouble-free nameplates on the market.

The marketing firm does not release the names of models that fare poorest in the survey. Bill Fleming, the author of the study, did say some of the most troublesome models from 1988 had shown dramatic improvements.

The survey asked about 12 major areas of potential problems.

Electrical and accessory problems were cited most frequently by owners. Problems with exterior paint and molding ranked second, followed by "squeaks and rattles" and engine problems.

J.D. Power and Associates, based in Agoura Hills, Calif., conducts the survey of initial quality level annually and publishes the results in its monthly marketing publication, The Power Report.

Top 10 1989 models

1. Nissan Maxima (83)
2. Buick LeSabre (89)
3. Toyota Corolla (91)
   Ford Crown Victoria (91)
5. Mercedes-Benz S-class (93)
6. Mercury Tracer (94)
7. Toyota Cressida (96)
8. Subaru sedan (98)
   Subaru three-door coupe (98)
10. Buick Riviera (100)
    Mercedes-Benz 190E/D (100)

(Complaints per 100 new owners in parentheses)

Top 10 1988 models

1. Toyota Cressida
2. Chevrolet Nova
3. Mazda 929
4. Honda Prelude 4WS and
   Mercedes-Benz 190E/D
6. Nissan Maxima
   Mercedes-Benz 560SL
   Toyota Corolla
9. Porsche 944
10. Porsche 911

Top 10 1989 makes

1. Mercedes-Benz
2. Porsche
3. Nissan
4. Honda
5. Toyota
6. Acura
7. Buick
8. Mazda
9. Mercury
10. Daihatsu

Source: J.D. Power and Associates

Mirror inventor tries aftermart

The inventor of a bifocal mirror that eliminates the driver's left-side blind spot is taking the aftermarket route to introduce it.

Ray Kesler, 51, of North Hollywood, Calif., has spent some 20 years developing mirrors. Last year, he received assurance from NHTSA that his most recent version complied with federal motor vehicle safety standards.

Vehicle makers have failed to buy the item, although several continue to express interest. So, Kesler said, he turned to the aftermarket, had a stick-on version manufactured of glass and aluminum in Taiwan and received his first shipment in May.

A driver using Kesler's convex Target Eye mirror sees a red circle. When a vehicle appears in the circle, it is in the blind-spot danger zone.

Because aftermarket items such as this don't fall in NHTSA's bailiwick, that agency's approval has become moot unless a vehicle builder becomes interested in using the reminder item, Kesler said.

— Roger Rowand

Ford donates $3 million to build up Cleveland

CLEVELAND — Ford Motor Co. has donated $3 million toward development of Cleveland's downtown area and neighborhoods.

Ford is the largest private-sector employer in Cleveland, with 17,000 company employees.

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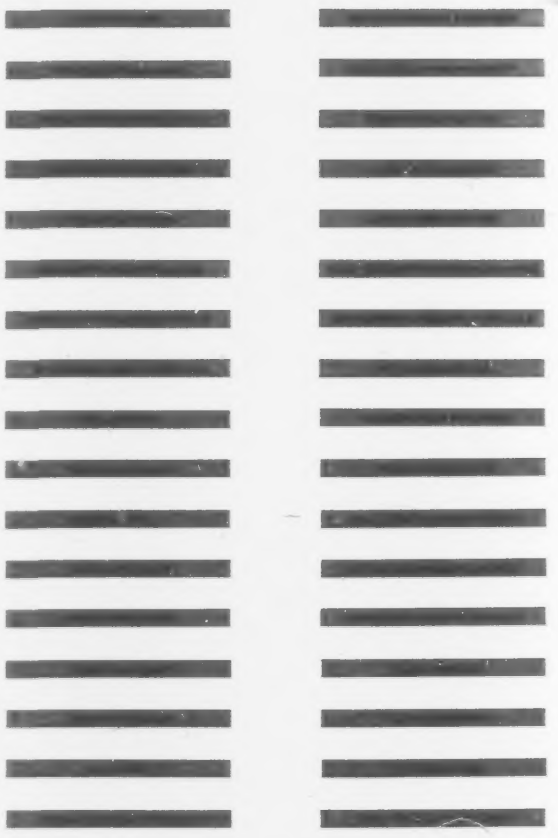

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DOMESTIC DAYS' SUPPLIES

	June 1, 1989	May 1, 1989	June 1, 1988
Alliance	—	—	54
Premier	128	132	111
Total Eagle	128	132	99
Horizon	92	81	102
Laser	51	59	—
Sundance	93	83	57
Reliant	79	65	41
Acclaim	43	47	—
Caravelle	—	153	68
Gran Fury	—	22	41
Total Plymouth	65	65	59
LeBaron K	—	98	96
LeBaron J	83	74	54
LeBaron GTS	248	209	121
Fifth Avenue	104	103	73
New Yorker C	61	51	84
New Yorker E	—	234	22
Total Chrysler	76	69	72
Omni	86	92	106
Shadow	74	81	50
Daytona	78	70	49
Aries	71	68	44
Lancer	252	254	152
Spirit	53	64	—
Diplomat	—	91	53
Dynasty	37	44	45
Dodge 600	—	137	69
Total Dodge	60	66	57
CHRYSLER MTRS.	68	69	63
Escort	94	100	66
Mustang	53	45	40
Tempo	89	79	65
Taurus	54	56	39
Thunderbird	94	69	83
Probe	70	95	30
Crown Victoria	85	78	49
Total Ford Div.	75	73	54
LynxTracer	71	102	108
Topaz	83	80	68
Sable	59	57	50
Cougar	79	65	73
Grand Marquis	80	74	44
Total Mercury	74	71	63
Continental	71	56	18
Lincoln	72	51	67
Mark VII	50	103	73
Total Lincoln	67	59	57
Total L-M Division	72	68	61
FORD MOTOR CO.	74	71	56
Skyhawk	103	112	85
SomersetSkylark	42	68	61
Century	56	52	63
Regal	93	91	81
LeSabre	80	72	48
Reatta	109	110	94
Electra	100	97	88
Riviera	83	68	60
Total Buick	74	75	68
Cimarron	138	22	105
Allante	105	112	124
Seville	58	79	88
DeVille	67	68	61
Brougham	70	81	98
Eldorado	81	90	98
Total Cadillac	69	74	75
Chevette	—	—	247
Geo Prizm/Nova	136	128	82
Cavalier	67	69	52
Camaro	65	65	63
Celebrity	40	44	59
Corsica/Beretta	64	79	47
Monte Carlo/Lumina	NA	—	85
Caprice	74	77	52
Corvette	109	108	57
Total Chevrolet	62	72	56
Firenza	—	75	71
Calais	90	98	74
Cutlass Ciera	70	74	66
Cutlass Supreme	123	128	111
Olds 88	79	71	51
Olds 98	66	79	81
Toronado	186	184	80
Total Oldsmobile	84	85	72
Fiero	—	53	68
Sunbird	51	58	44
Firebird	60	65	55
Grand Am	65	68	42
Pontiac 6000	61	70	52
Grand Prix	118	90	61
Bonneville H	76	79	37
Paris./Safari	94	93	79
Total Pontiac	70	72	48
GENERAL MTRS.	70	75	60
HONDA	17	20	9
MAZDA	57	58	32
MITSUBISHI	182	29	—
NISSAN	110	78	59
TOYOTA*	34	44	33
VOLKSWAGEN	—	—	116
DOM. TOTAL	67	69	57
Subcompact	54	53	48
Compact	62	65	48
Intermediate	64	66	60
Standard	76	73	57
Specialty	89	104	68

*Estimate.

Car inventories drop to near-ideal 67 days

By Kathleen Hamilton
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Both import and domestic car companies whipped their inventories into better shape during May. As a result, June opened with nearly ideal stockpiles, equivalent to a 67-day supply of new cars in this country.

The June 1 stockpile of domestic cars rose to 1,844,144 units from 1,835,840 on May 1. But domestic cars were selling faster than the inventory was rising, so the domestics opened June with a 67-day supply of cars at dealerships, enroute to them or at factory lots. On May 1, the stockpile was equivalent to a 69-day supply.

Import-car inventories totaled 661,545 on June 1, equivalent to a 66-day supply, compared to 698,896 units, or a 72-day supply on May 1.

Mitsubishi more than kept pace with the near doubling of its daily selling rate during May, as it increased production at its new U.S. plant. Its combined inventory of U.S.- and foreign-built cars was 61 days on June 1 compared to 59 days on May 1.

Other imports trimmed their inventories significantly the way that automakers like best: by increasing their sales rates during the month. Those included Audi, Volkswagen and Sterling. Suzuki's change in its sport-utility number was chiefly the result of shipment changes, although its car-inventory dip was the result of both better sales and fewer arrivals on U.S. docks.

The light import-truck inventory rose in units and days' supply compared to May 1. There were 171,393 unsold new import-trucks in inventory on June 1, an 81-day supply, compared to 169,354, or a 76-day supply, on May 1.

Combined inventories of import cars and light trucks were 832,938 vehicles, or a 69-day supply, on June 1, compared to 868,250 vehicles, or a 73-day supply, a month earlier.

Each of the Big 3 increased its sales rate and sliced inventories a bit during the month. Combining their inventories of U.S.-built cars with their captive imports, GM sliced its days' supply from 78 days to 72; Ford Motor Co. cut its level from 72 to 71, and Chrysler Motors cut its figure from 77 to 76.

At GM, Buick Riviera's climb in inventory was due to a slower sales rate. The extremely high inventory of Cadillac Cimarron is explained by its lame-duck status.

At Ford, the inventory increases on Thunderbird, Continental and Lincoln were due mainly to sales decreases rather than production increases. On the other hand, Tracer and Mark VII improved inventory by improving sales.

IMPORT DAYS' SUPPLIES

	June 1, 1989	May 1, 1989	June 1, 1988
Chevrolet	119	114	161
Chrysler Motors	158	138	104
Acura	46	58	37
Daihatsu	83	85	—
Honda	25	27	11
Isuzu	119	169	75
Mazda	53	60	72
Mitsubishi	24	101	54
Nissan	88	106	107
Subaru	95	63	94
Suzuki	160	240	—
Toyota	29	18	19
JAPAN	61	65	58
Audi	141	234	89
BMW	73	79	67
Mercedes-Benz	54	58	37
Merkur	117	110	120
Porsche	98	132	79
VW	68	103	72
GERMANY	72	94	68
Alfa Romeo	120	131	69
Festiva	118	97	82
Hyundai	58	59	30
Jaguar	58	62	21
Peugeot	94	96	97
Pontiac	116	148	—
Eagle/Renault	158	162	270
Saab	79	85	75
Sterling	73	139	74
Volvo	73	74	50
Yugo	171	197	45
Other Countries	85	87	50
Total Import Cars	66	72	58
Geo Tracker	139	166	—
Isuzu	121	116	96
Mazda	68	64	68
Mitsubishi	74	93	61
Nissan*	82	57	104
Range Rover	42	34	47
Suzuki	97	184	18
Toyota	50	46	46
Dodge	170	181	113
Total Imp. Trucks	81	76	67
Total Imp. Vehicles	69	73	60

*Includes domestic vehicles.

SAFETY

FROM PAGE 1

Diane Steed, who became a lame duck with the election of George Bush, stepped down last month. The president has not sent the name of his nominee for administrator, retired Army Gen. Jerry R. Curry, to the Senate commerce committee for confirmation.

A NHTSA official said the concern is unwarranted.

"Our being without an administrator has made no difference whatsoever. It hasn't resulted in things lying around," said Barry Felrice, associate administrator for rule-making.

Felrice said standards are delayed when NHTSA decides more research is needed or when budget restraints permit engineers to work on only a few projects at one time. Often rules proposed by NHTSA are held up for months in final reviews by the secretary of transportation or the Office of Management and Budget, Felrice said.

The light-truck safety rules are the latest target of discontent with NHTSA. They are among 105 unfinished rules that are more than a year old. About 15 of those rules have been kicking around NHTSA for more than five years. Several, including upgrading passenger-car side-impact standards, are more than 10 years old.

At his confirmation hearing, Skinner had promised to clear up the backlog at the agency. But at a recent meeting with reporters, Skinner admitted little progress had been made.

Major crises, such as the Alaska oil spill, have demanded the secretary's attention, and Bush has not nominated replacements for administrators in any of the nine agencies he oversees.

In April, Bush announced he intended to nominate Curry to succeed Steed. A White House spokesman said the nomination "is in the works."

Meanwhile, Curry is a consultant at NHTSA, but has no power to make decisions. Curry has made his priorities clear. He wants car safety standards applied to light trucks.

The senators' letter did not blame the slow movement on the lack of an administrator. But in April, the committee wrote deadlines for the completion of safety rules into a bill that would authorize NHTSA's budget through 1991.

NHTSA strongly opposed the deadlines and said research and rule-making would take longer than the senators wanted to allow.

NHTSA expects to release roof, side-impact, head-restraint rules

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Anti-lock brakes, rather than standards for stability or crashworthiness, may be the way to prevent a light-duty truck, minivan or sport-utility vehicle from rollover, said Barry Felrice, NHTSA's associate administrator for rule-making.

In defending the agency's recent record of rule-making, Felrice said NHTSA expects to issue several safety rules for multipurpose vehicles by year's end: mandated head restraints, side-impact protection and minimum roof crush-resistance standards.

But he said research suggests that rollover standards may not be needed.

"We've seen that a lot of vehicles skid first, then roll over," Felrice said. "We may not need crash-worthiness if you can avoid injury in the first place" through anti-lock brakes. The rollover research is expected to be complete next spring, Felrice said.

NHTSA is not expected to recommend center high-mounted brake lights on trucks, vans or sport-utility vehicles. Felrice said research has shown that brake lights may be more effective on the sides of a high-riding vehicle.

NHTSA issued passenger-car regulations in the early 1970s. Truck regulations did not begin to emerge until 1978, Felrice said.

Since 1979, NHTSA has required light trucks, minivans and sport-utility vehicles to have collapsible steering columns, interior padding, locking steering columns to discourage theft and hydraulic brakes.

Last November, NHTSA published a notice of proposed rule-making, the second step before a rule is written, for rear-seat shoulder belts in trucks, minivans and sport-utilities. A final rule is expected within several months.

A final rule on head restraints was to be issued this spring, rather than late summer as now expected, but eight months passed before approval was granted last December by the Office of Management and Budget, Felrice said.

The budget agency could not see any economic benefits in mandating a device that prevents only whiplash, not fatalities, Felrice said. Former Transportation Secretary James Burnley had to fight to get the rule released before he left office, Felrice said.

That kind of delay often bottlenecks a rule and gives the impression that NHTSA is at fault, Felrice said. Typically, it takes NHTSA between two and three years to issue a rule.

But developing and upgrading car side-impact standards has taken more than a decade because NHTSA had to spend years to study the forces involved in a crash and develop a test dummy, he said.

GM LEASE

FROM PAGE 3

brokers/exporters are on the West Coast and purchase inventory from distressed dealers at dealer cost.

Other brokers involved in supplying overseas markets purchase vehicles from lease companies that received fleet discounts on GM vehicles. Discounts vary by model and the size of the fleet order. The exporter then sells those vehicles to both GM and non-GM dealers overseas.

Brokering has been more acute in such areas as Taiwan and Scandinavian countries. GM said half of its vehicles sold in Taiwan are sold outside the GM distribution system. Some 39,000 GM vehicles were sold in Taiwan in 1988, 19,500 of them outside the GM system. Officials say they hope to reduce that share to one-quarter within the year.

GM sold 72,830 North American-built vehicles through its traditional overseas distribution channels last year. Hermiller projects GM will sell 100,000 in the 1989 calendar year, excluding the gray market.

Hermiller said cars sold outside the GM distribution system overseas do not have the appropriate warranties and are often sold by non-GM dealers, which undermines the value of the GM franchise.

GM international export sales officials have been cooperating with governments of countries in which there is heavy brokering. In Taiwan, for example, some brokers are declaring vehicles at values below their real value to avoid tariffs equal to 42.5 percent of the landed value of the vehicle, GM said.

GM also is stepping up its marketing efforts to protect GM franchise holders overseas. Within 90 days, GM will launch an advertising campaign in Taiwan that will promote the value of buying a vehicle from an official GM dealer.

The ads, created by McCann-Erickson of Troy, Mich., encourage customers to look for such things as GM dealership uniforms and signage.

GM also is implementing a new sign program worldwide that will identify stores as authorized GM dealerships. The new signs will be placed first in Taiwan. GM has been unable to stop non-GM dealers from using its present logo. The new signage and logo will be copyrighted.

"Going after anyone who copies that sign will be part of the strategy," Hermiller said.

In some instances, GM has changed its pricing strategy. In markets where there is heavy brokering, GM will try to keep its prices to dealers competitive with those of the brokers. In some cases, GM has reduced prices to dealers to discourage brokers selling fleet-discounted vehicles.

Hermiller said the brokers who sell GM vehicles in overseas markets are not usually big brokers but are small operators who find short-term opportunities and leave once the manufacturer becomes more established in the market.

"We're new kids on the block in the Taiwan market . . . so there were a lot of entrepreneurs, much as there were in Europe and the Middle East," said Raymond H. Koenig, director of strategic planning for public relations for GM's international export sales.

Added Hermiller: "Once we decide to beef up our efforts, the parallel guys will go somewhere else."

SALES

DOMESTIC CAR SALES

	May 21, to May 31, 1989	Same Period, 1988	May 1989	Same Month, 1988	Jan. 1, to May 31, 1989	Same Period, 1988
Alliance	0	100	0	450	0	3,440
Eagle	0	251	0	333	0	1,392
Premier	1,402	1,618	3,842	4,249	18,592	14,017
Total Eagle	1,402	1,969	3,842	5,032	18,592	18,849
Horizon	996	2,038	2,777	5,155	13,407	21,853
Laser	848	0	2,191	0	6,615	0
Sundance	2,718	2,789	7,229	7,627	34,504	33,166
Turismo	0	381	0	447	0	1,115
Reliant	1,082	3,563	3,083	10,085	16,418	57,506
Acclaim	4,250	0	10,835	0	33,606	0
Caravelle	69	604	356	1,526	733	9,171
Gran Fury	44	408	206	1,328	1,443	5,699
Total Plymouth	10,007	9,783	26,677	26,168	106,726	128,510
LeBaron K	122	615	310	2,179	787	12,613
LeBaron J	3,624	3,347	9,639	8,859	39,304	47,628
LeBaron GTS	138	490	388	1,399	2,389	7,369
Fifth Avenue	432	641	1,162	2,355	6,771	24,570
New Yorker C	3,014	2,378	8,131	7,080	43,556	25,182
New Yorker E	56	359	159	784	237	14,107
Total Chrysler	7,386	7,830	19,789	22,636	93,046	131,469
Omni	1,056	1,945	3,135	5,159	13,577	20,721
Shadow	2,604	3,467	7,436	8,945	34,214	38,277
Charger	0	320	0	373	0	1,022
Daytona	2,841	2,850	7,704	7,399	32,831	32,872
Aries	1,130	3,384	3,378	9,075	16,154	50,422
Lancer	102	310	279	912	1,496	4,848
Spirit	3,788	0	9,295	0	28,917	0
Diplomat	252	753	764	2,426	2,551	10,174
Dynasty	4,806	2,089	12,799	6,840	54,734	29,588
Dodge 600	139	553	426	1,455	808	8,329
Total Dodge	16,718	15,671	45,216	42,584	185,282	196,253
CHRYSLER MOTORS	35,513	35,253	95,524	96,420	403,646	475,081
Escort	13,131	13,385	30,036	32,781	145,032	153,483
Mustang	5,314	5,829	16,304	17,015	81,910	83,979
Tempo	6,160	9,512	18,957	25,000	99,912	119,921
Taurus	12,544	14,148	36,194	39,436	154,539	174,173
Thunderbird	3,745	4,390	10,603	12,351	53,892	57,099
Probe	5,738	2,737	15,678	6,192	56,933	11,947
Crown Victoria	3,360	3,906	9,838	11,233	45,063	51,922
Total Ford Div.	49,992	53,907	137,610	144,008	637,281	652,524
Lynx/Tracer	3,330	1,916	7,006	4,880	25,236	25,815
Topaz	2,807	3,075	7,954	7,560	39,912	35,355
Sable	3,892	5,514	12,026	12,377	50,618	54,407
Cougar	3,469	4,134	9,557	10,474	45,238	49,525
Grand Marquis	3,396	4,128	9,598	10,377	45,843	49,349
Total Mercury	16,894	18,767	46,141	45,668	206,847	214,451
Continental	1,702	1,417	4,624	3,710	24,183	17,795
Lincoln	3,021	4,898	9,471	11,444	47,203	52,136
Mark VII	1,362	661	3,926	1,785	12,554	9,429
Total Lincoln	6,085	6,976	18,021	16,939	83,940	79,360
Total L-M Division	22,979	25,743	64,162	62,607	290,787	293,811
FORD MOTOR CO.	72,971	79,650	201,772	206,615	928,068	946,335
Skyhawk	853	1,054	2,086	2,392	9,053	13,779
Somerset/Skylark	3,774	3,080	8,301	6,336	27,756	25,530
Century	4,735	4,341	11,556	10,243	58,975	48,766
Regal	3,301	4,849	7,479	11,637	34,421	51,353
LeSabre	5,239	4,876	13,293	12,341	51,757	67,354
Reatta	302	151	838	363	3,354	1,188
Electra	2,726	2,578	6,863	6,093	32,892	34,353
Riviera	640	274	1,854	718	8,731	4,465
Total Buick	21,570	21,203	52,270	50,123	226,939	246,788
Cimarron	2	253	2	693	229	3,207
Allante	106	109	297	320	1,398	1,454
Seville	751	757	2,685	1,836	10,707	8,813
DeVille	3,974	6,362	16,802	14,734	73,369	67,560
Brougham	1,021	1,604	3,397	3,832	15,624	17,463
Eldorado	1,045	1,071	3,315	2,692	14,240	11,953
Total Cadillac	6,899	10,156	26,498	24,107	115,567	110,450
Chevette	0	5	0	17	0	178
Geo Prizm/Nova	2,926	2,846	7,706	8,834	25,688	53,859
Cavalier	10,074	11,349	28,254	29,065	126,712	125,538
Camaro	4,557	3,984	12,358	10,408	49,266	42,970
Celebrity	6,844	8,433	18,423	23,287	93,401	116,471
Corsica/Beretta	15,561	16,116	40,901	40,591	160,865	178,138
Monte Carlo/Lumina	10,736	1,243	10,736	3,366	12,180	18,582
Caprice	5,641	6,361	16,310	18,014	66,160	72,229
Corvette	677	987	2,039	2,483	8,306	11,117
Total Chevrolet	57,016	51,324	136,729	136,065	542,580	619,082
Firenza	0	696	3	1,054	12	6,186
Calais	3,608	3,953	9,709	9,666	40,168	43,716
Cutlass Ciera	7,023	7,439	19,761	19,392	86,896	97,190
Cutlass Supreme	3,175	3,965	8,760	8,985	43,058	44,261
Olds 88	5,516	5,434	14,125	15,892	62,832	77,434
Olds 98	2,765	2,130	7,186	5,692	31,375	32,299
Toronado	272	625	617	1,419	3,414	7,016
Total Oldsmobile	22,359	24,242	60,161	62,100	267,757	308,102
Fiero	252	1,608	697	3,096	1,961	13,071
Pontiac 1000	0	31	0	36	0	154
Sunbird	4,395	3,597	11,785	8,598	42,255	36,178
Firebird	2,776	2,170	7,429	5,852	28,945	27,577
Grand Am	6,898	9,016	20,058	21,726	86,530	102,606
Pontiac 6000	2,514	3,718	7,429	9,543	32,435	43,871
Grand Prix	3,272	3,509	9,668	8,763	56,403	35,444
Bonneville H	3,056	4,514	9,013	11,191	40,058	52,850
Paris./Safari	189	326	503	696	1,969	3,224
Total Pontiac	23,352	28,489	66,582	69,501	290,556	314,975
GENERAL MOTORS	131,196	135,414	342,240	341,896	1,443,399	1,599,397
HONDA	24,038	19,689	42,710	34,801	167,388	154,827
Civic	10,365	5,623	18,840	9,604	74,427	39,170
Accord	13,673	14,066	23,870	25,197	92,961	115,657
MAZDA	2,284	1,391	3,908	2,819	18,670	11,096
MITSUBISHI	1,055	0	2,603	0	8,420	0
NISSAN	4,403	4,971	6,757	9,772	41,072	38,042
TOYOTA	7,768	2,567	14,964	5,100	69,499	22,153
VOLKSWAGEN	0	2,457	0	4,564	0	20,638
DOMESTIC TOTAL	279,228	281,392	710,478	701,987	3,080,162	3,267,569
IMPORT TOTAL			259,737	269,266	1,150,080	1,250,031
INDUSTRY TOTAL			970,215	971,253	4,230,242	4,517,600

*—U.S.-built Volkswagen models sold after June 30, 1988, are included in import totals.

FROM PAGE 6

referring to the number of world companies angling for a bigger share of the U.S. pie.

The recent strength of the dollar against the yen gives importers a lot more room to bargain, get more aggressive with incentives and make an effort to penetrate the daily rental market, he said.

Jack Kirnan, auto analyst for Kidder, Peabody & Co., said a turning point in market share repositioning may have been reached.

"Several months ago, we were convinced the U.S.-based companies would hold on to market share," he said. "The dollar-yen relationship has changed. The dollar will move lower between now and the end of the year, giving the Japanese more time to adjust to the higher value of their currency. In the near term, it gives them lots more to spend on incentives."

Honda, Toyota and Nissan together took 18.82 percent of the U.S. car market in the first five months of this year compared to 16.51 percent last year. They are fighting for 25 percent, Phillippi said — Honda has targeted 10 percent of the U.S. car market, Toyota wants 8 percent and Nissan's goal is 7 percent. Those numbers include transplant and import operations.

The transplants' gains will be at the expense of both imports and the Big 3, predicted Michael Luckey, an independent auto analyst in Cresskill, N.J.

"If you look ahead a few years, there will be a dramatic change," he said. "Import sales will fall further, and more and more Japanese products will be built here."

Regional shifts in buying patterns will continue, analysts said. The Big 3 will continue to lose their grip on their traditional strongholds like the Midwest or Southeast, they predicted.

"General Motors, for example, has lost five points in the Midwest and four points in the Southwest since 1985," Kirnan said.

He sees Big 3 market share "drifting downward but not catastrophically. Over the next couple of years, we might be looking at a 30 percent foreign car and truck share vs. a 27 percent share" today, he said.

Some of that new growth will be in light trucks, Kirnan and other analysts said. Isuzu is about to join Nissan in building trucks here; Toyota and Mazda all have definite plans to begin, and Subaru and Nissan are studying the prospect of U.S.-built minivans, which are classified as trucks.

Thomas F. O'Grady, president of Integrated Automotive Resources in Wayne, Pa., foresees a bigger drop in the Big 3 share of the U.S. car market. He predicted it will drop nearly 6 percentage points by the end of 1991.

April's and May's heavy doses of incentives could not heal the wound in vehicle sales for the first five months of 1989.

Year-to-date sales were 5.67 percent below the first five months of 1988. Combined U.S. car and light-truck deliveries were 373,921 units short of last year's first five months.

In terms of market share, the eight U.S. carmakers, including the five transplants, took 72.81 percent of all U.S. car sales in the first five months. That was up a half a point from 72.33 percent in the equivalent 1988 period. Import cars accounted for 27.19 percent of all car sales vs. 27.67 percent last year.

Winners in market share were the major Japanese automakers with their transplants and Ford Motor Co.

The five Japanese companies with transplant or joint-venture operations here — Honda, Mazda, Mitsubishi, Nissan and Toyota — captured 22.24 percent of the first five months' car sales. That was 2.72 percentage points more than last year's 19.52 percent.

Among the Big 3, only Ford improved its share of the U.S. car market in 1989. Including its captive imports and Probes built by Mazda, Ford's share rose more than a point, to 22.78 percent.

In the first five months, GM's share, including captive imports, fell 1.42 percentage points to 35.71 percent. Chrysler's car share declined 1.08 points to 10.71 percent.

Major five-month losses were sustained by European and Korean companies. They gave up a total of 1.50 percent of the car market compared to 1988.

There were more losses than gains among imported cars in May.

Volvo and Volkswagen were the only European car companies to report gains in May. Among the Japanese imports, Honda and its upscale Acura Division reported sales increases as did Nissan, Mitsubishi, Daihatsu and Chevrolet's captive Spectrum and Sprint.

For the month, combined domestic and import car sales totaled 970,215. That was off 0.11 percent from May 1988.

The daily selling rate in May was 37,316 units, down 3.95 percent from last May's rate of 38,850, even though May 1988 had one less selling day and much lighter incentives.

GM was the only one of the Big 3 to report an improvement over May 1988 sales, but it was a meager gain of 0.10 percent.

MARKET SHARES, May 1989

	Total Sales	Pct. of Total
SUBCOMPACT	96,017	9.90
COMPACT	180,131	18.57
INTERMEDIATE	311,928	32.14
STANDARD	118,531	12.22
SPECIALITY	3,871	0.40
IMPORT	259,737	26.77
TOTAL	970,215	100.00

U.S. CAR SALES BY MARKETING UNITS

	May 1989	Percent Share	May 1988	May Share	5 Mos., 1989	Percent Share	5 Mos., 1988	Percent Share
Alfa Romeo	223	0.02	338	0.03	1,465	0.03	2,223	0.05
American Honda	82,327	8.49	65,450	6.74	325,060	7.68	304,113	6.73
BMW	5,632	0.58	5,742	0.59	29,008	0.69	28,633	0.63
Buick	52,270	5.39	50,123	5.16	226,939	5.36	246,788	5.46
Cadillac	26,498	2.73	24,107	2.48	115,567	2.73	110,450	2.44
Chevrolet	148,000	15.25	147,161	15.15	589,860	13.94	670,151	14.83
Chrysler	20,622	2.13	23,790	2.45	96,438	2.28	135,825	3.01
Daihatsu	1,227	0.13	921	0.09	5,622	0.13	4,261	0.09
Dodge	48,646	5.01	47,563	4.90	202,536	4.79	220,146	4.87
Eagle	6,098	0.63	5,728	0.59	31,144	0.74	26,739	0.59
Ford	143,270	14.77	149,667	15.41	668,721	15.81	681,706	15.09
Hyundai	16,254	1.68	24,629	2.54	82,753	1.96	120,452	2.67
Isuzu	1,975	0.20	2,379	0.24	8,044	0.19	8,807	0.19
Jaguar	1,650	0.17	1,809	0.19	7,477	0.18	7,989	0.18
Lincoln	18,021	1.86	16,939	1.74	83,940	1.98	79,360	1.76
Maserati	28	0.00	83	0.01	139	0.00	430	0.01
Mazda	23,563	2.43	23,082	2.38	106,458	2.52	107,015	2.37
Mercedes	6,104	0.63	8,269	0.85	29,186	0.69	35,912	0.79
Mercury	46,831	4.83	47,033	4.84	210,818	4.98	219,030	4.85
Mitsubishi	11,318	1.17	6,415	0.66	37,844	0.89	28,742	0.64
Nissan	45,342	4.67	39,525	4.07	212,330	5.02	191,154	4.23
Oldsmobile	60,161	6.20	62,100	6.39	267,757	6.33	308,102	6.82
Peugeot	582	0.06	755	0.08	2,566	0.06	2,714	0.06
Plymouth	30,037	3.10	30,844	3.18	122,806	2.90	150,098	3.32
Pontiac	71,800	7.40	75,738	7.80	311,315	7.36	341,925	7.57
Porsche	1,003	0.10	1,303	0.13	3,600	0.09	7,252	0.16
Saab	3,196	0.33	3,107	0.32	13,807	0.33	15,705	0.35
Sterling	653	0.07	632	0.07	2,788	0.07	4,232	0.09
Subaru	10,181	1.05	12,691	1.31	60,489	1 3	60,724	1.34
Suzuki	460	0.05	0	0.00	2,460	0.0	0	0.00
Toyota	59,048	6.09	63,017	6.49	258,922	6.12	250,725	5.55
Volvo	9,258	0.95	8,369	0.86	43,348	1.02	40,468	0.90
VWoA	17,001	1.75	19,434	2.00	64,768	1.53	91,198	2.02
Yugo	936	0.10	2,510	0.26	4,267	0.10	14,531	0.32
TOTAL	970,215	100.00	971,253	100.00	4,230,242	100.00	4,517,600	100.00
TOTAL GM	358,729	36.97	359,229	36.98	1,511,438	35.71	1,677,416	37.13
TOTAL FORD	208,122	21.45	213,639	22.00	963,479	22.78	980,096	21.70
TOTAL CHRYSLER	105,403	10.86	107,925	11.11	452,924	10.71	532,808	11.79
TOTAL JAPANESE	235,441	24.27	213,480	21.98	1,017,229	24.05	955,541	21.15
TOTAL EUROPEAN	46,266	4.77	52,351	5.39	202,419	4.79	251,287	5.56
TOTAL KOREAN	16,254	1.68	24,629	2.54	82,753	1.96	120,452	2.67

Big 3 totals include their captive imports. Percent share may contain error of one or two points due to rounding.
Sales charts compiled by Karen Dethowski.

Calendar year forecasts for U.S. sales

1990

	Date of forecast	Wendy Beale *Smith Barney*	Bernard Campbell *Data Resources*	Arthur Davis *Prescott Ball & Turben*	Jean-Claude Gruet *UBS Securities*	David Healy *Drexel Burnham Lambert*	Maryann Keller *Furman Selz Mager Dietz & Birney*	Jack Kirnan *Kidder Peabody*	Ann Knight *Paine Webber*	Michael Luckey *Michael Luckey Consulting Group*	William Pochiluk *Autofacts Inc.*
Total Motor Vehicle Sales in U.S.	June '88	14.3	14.6	15.2	14.6	12.8	14.7	14.1	14.0	13.1	14.9
New Car Sales	June '88	9.5	9.7	9.9	9.7	8.6		9.6	9.5	9.0	9.8
New Trade Sales	June '88	4.8	4.9	5.3	4.9	4.2		4.5	4.5	4.1	5.1

1989

Total Motor Vehicle Sales	Dec. '88	14.9	15.35	14.9	15.2	14.81	15.1	15.3	14.8	14.8	15.07
	June '89	14.7	14.9	14.9	15.0	14.7	14.7	14.7	14.5	14.8	14.96
% Change		−1.3	−2.9		−1.3	−0.7	−2.6	−3.9	−2.0		−0.7
New Car Sales	Dec. '88	9.8	10.2	9.8	10.2	9.85	10.1	10.3	10.0	10.0	10.0
	June '89	9.8	9.9	9.8	10.0	9.8	9.8	9.9	9.9	10.0	9.9
% Change			−2.9		−1.9	−0.5	−2.9	−3.8	−1.0		−1.0
New Trade Sales	Dec. '88	5.1	5.15	5.1	5.0	4.96	5.0	5.0	4.8	4.8	5.07
	June '89	4.9	5.0	5.1	5.0	4.9	4.9	4.8	4.6	4.8	5.06
% Change		−3.9	−2.9			−1.2	−2.0	−4.0	−4.1		−0.1

FORECASTS

FROM PAGE 1

Among 10 analysts surveyed at the end of 1988 and again last week by Automotive News, the range of forecasts for 1990 is even wider. At the low end is a prediction of 12.8 million vehicle sales and a recession by David Healy of Drexel Burnham Lambert. At the other extreme, Arthur Davis of Prescott Ball & Turben forecasts 15.2 million sales.

A larger group in the middle believes the industry will fade still further from last year's mark of 15.8 million cars and trucks, the second best on record. Collectively, the 10 analysts predict 14.2 million car and truck sales next year, down from an expected 14.8 million in 1989.

The first half of 1989 has made the analysts, as a group, look like capable fortune tellers.

At the start of the year, the consensus was that a tighter money supply and higher interest rates would bring a much-needed slowdown in economic growth. Auto sales would slip in the process.

By and large, that's been the case. A number of additional factors — ranging from debt-ridden consumers to the declining age of the average American car — have also been blamed for the sales slowdown.

Analysts also predicted that interest rates would begin to fall in the second quarter. Last week's drop in the prime rate to 11 percent proved them on target again.

Along the way, some of the more bullish forecasters have lowered their projections. With that, each of the analysts and the Big 3 are now predicting that 1989 will finish between 14.7 million and 15 million units.

"We projected a pretty soft landing, which would improve the chances of gaining economic and market strength next year," said David Munro, senior corporate forecaster at GM.

"And while earlier in the year we weren't so sure it was going to happen, it's coming out exactly as forecast so far," Munro said.

GM started the year predicting 15 million sales and has held to it. Next year's sales are expected to fall in the same range, too, Munro said.

Prescott Ball & Turben's Davis bases his optimism for 1990 on the premise that the industry will succeed by using shorter, punchier incentives to draw buyers into showrooms.

He believes GM will take the lead this summer by offering more cash for shorter periods of time — and on fewer cars — to prod buyers because deals on the cars they want won't last long.

The offers will target specific regions of the country that need the most help, he said. That tactic will work to GM's advantage, Davis believes, because GM's size and dealer penetration gives it a superior grasp of the needs of regional markets.

Those efforts as well as new product offerings from the Big 3 will help boost industry sales to the 15.2 million mark next year, he predicts.

At the opposite end of the spectrum, Healy contends the market is hungover from six strong sales years. Next year is shaping up as payback time, he said.

The year will see higher interest rates, slower economic growth and nearly 2 million fewer sales than this year, Healy predicts.

Despite the range in forecasts, the analysts agree on one point: incentives have become as much a fixture in the auto industry as tires and gasoline.

And several believe incentives will become more inviting as automakers search for ways to attract jaded customers in a crowded marketplace.

"We think there are going to be some new and some very creative incentives to hold the line on sales," said William Pochiluk, president of Autofacts Inc., a forecasting firm based in Paoli, Pa.

Autofacts research shows that incentives are 40 percent less effective today than they were three years ago, Pochiluk said.

As a result, Pochiluk predicts manufacturers will wrap such goodies as car phones or travel vouchers into their incentive packages in an effort to make consumers wide-eyed again.

Others argue that there's little else automakers can do that they haven't done already. As Iacocca said, "When you're offering zero financing already, the only thing we could do is send a credit to their house."

In general, analysts expect the economy to be flat or slightly weaker through the end of the year. Jean-Claude Gruet at UBS Securities said consumers have been shying away from showrooms because of higher interest rates, concerns about the economy and their own debt loads.

"As more people become convinced that we are unlikely to have a recession in 1990, that marginal improvement in confidence plus lower rates will be a slight positive for demand."

Gruet predicts a soft landing for the economy in 1990. Michael Luckey, of the Michael Luckey Consulting Group, meanwhile, has charted a mild recession.

"Inflation and interest rates haven't hit their cyclical peak yet," Luckey said. "When they do, that usually spells trouble for the economy."

In addition, Luckey believes that cuts in federal defense spending plus tax increases at the state and local level will further strain economic growth.

Jack Kirnan, auto analyst at Kidder Peabody, sees a couple years of disappointing news ahead. One omen is in used-cars, where the market has been flooded after six years of strong new-car sales as well as by large volumes of nearly new product coming out of fleet use.

During the first four months of 1989, the average late-model used-car prices declined $144 to $431, or 2.03 to 3.92 percent, according to CCC Information Services, a Chicago-based data services firm.

"When you get a weakness in used-car prices, that is usually a harbinger of weak new car sales," Kirnan said.

Trade-in customers are getting less for their cars, which forces them to cough up more cash for a downpayment or finance a larger amount, Kirnan explained. That's a combination many households can't afford, particularly those that have seen house payments rise from adjustable-rate mortgages. If they do buy a car, he said, they'll be more inclined to pick a used car.

Analysts have found few surprises in the list of market-share gainers and losers so far this year. "It's sort of been like watching paint dry," said Ann Knight of Paine Webber.

Among imports, the car-share gains of less than a percentage point by Nissan, Toyota and Honda were expected. Those makers have been aided by the dollar's gain in strength versus the yen, which has helped them avoid price increases.

Some analysts had expected GM to gain market share in 1989 and therefore have been surprised to see the No. 1 automaker lose ground.

Several analysts said GM will get a push from the new Lumina sedan, while GM's new line of minivans is expected to help on the truck end. But this year's sluggish start may postpone GM's hopes of reversing its market-share slide in 1989.

Another mild surprise has been Hyundai. The Korean maker has coughed up 1.5 points of market share as sales have declined by nearly a third from year-ago levels. Hyundai's established model, the Excel, has been hurt by overall weakness in the subcompact segment.

Analysts pointed out that buyers in this end of the market tend to be the first to draw in their purse strings when there are concerns about the economy. They have also been affected by banks' tighter lending policies.

Analyst Maryann Keller of Furman Selz Mager Dietz & Birney suggested that the segment itself isn't very attractive. Ford's Escort and Chrysler's Omni/Horizon series, for example, are a decade old and have lost some of their appeal.

"The cars one notch up are so much nicer," said Keller. "The consumers are making a very rational judgment."

JAPAN

FROM PAGE 3

That image is built not only on introducing all-new models like the Silvia, 300ZX and Skyline (a stylish upmarket coupe and sedan), but also on risky limited-run boutique models like the Be-1, Pao and S-cargo, which resemble old toy cars.

The Be-1, introduced in 1987 and limited to production of 10,000 units, was a runaway hit and now sells on the used-car market for double its original price of $8,500 to $9,500.

Earlier this year, Nissan decided to come back with the Pao, a successor to the British Mini-inspired Be-1. It took orders for only three months and sold 51,657 of the cars, which were priced at $11,080 to $12,380. Even before the order books were closed, a Pao sold at an Osaka auction last March for $15,503.

But Toyota and Honda said they have no intention of chasing Nissan. They have their own product plans and said they will stick to them. But Nissan has definitely had an impact on the market and is a factor to consider.

While Toyota and Honda minimize the importance of market share, Nissan makes no bones that share is the name of the game. President Yutaka Kume has set a goal of 25 percent share by the end of the year and 30 percent by the early 1990s.

Nissan's major sales campaign in the months preceding the April tax change was launched in large part to gain market share. Yasuhiko Misaka, Nissan general manager for sales promotion, said an important factor for the company was March sales, the last month of the fiscal year, which would determine the share for the year.

Brand loyalty is a factor in 60 to 70 percent of sales in Japan, Misaka said, indicating that the company believes what it can pick up now is a key for the future. Nissan's target for January-March was to double orders. It actually booked 230 percent more orders than a year earlier.

While Nissan was pushing sales through dealer discounts, Toyota and Honda did not follow.

The result is declining market share for Toyota and Honda. And despite the new Integra and an all-new Accord slated for autumn, some analysts are predicting a difficult year for Honda in the Japanese market.

That might give Nissan a window of opportunity, the analysts add, that could last as long as a year before new Toyota and Honda models can make inroads into Nissan's gains.

Analyst Koji Endo of Nomura Securities said Nissan's upsurge at the expense of Toyota and Honda "certainly isn't forever." Endo said it should continue through the first half of the year, and possibly for the whole year.

Nissan executives, on the other hand, expect the window to remain open longer, perhaps two years, given the fact that it takes most Japanese automakers at least three years to bring a new product to the market.

While Nissan has found success with niche vehicles, Toyota has greater sales power, Misaka admits, and therefore Nissan must strengthen its sales organization. It will continue to consolidate those gains by seeking specific targets.

PRODUCTION

Truck output at May peak of 392,946

By Karen Detkowski
SPECIAL CORRESPONDENT

U.S. truckmakers set a production record for May with 392,946 units, surpassing the previous May high of 370,140 last year.

Meanwhile, car production was the highest for any month in 1989, but slightly below May 1988.

Last month's truck production was up 6.90 percent from April's 367,592 and 6.16 percent from the year-ago month.

Truckmakers built their two-millionth truck of 1989 last Wednesday, a week ahead of 1988.

Last week's scheduled production of 91,197 units was 25.12 percent above the previous week's 72,887 and 5.53 percent above the year-ago week's 86,420.

The 681,261 passenger cars built in May were up 6.92 percent from April's 637,187, but down 1.59 percent from 692,247 in May 1988.

Last week's targeted car output of 140,945 was 15.53 percent over the previous, holiday-shortened work week's 121,995. But it dipped 17.00 percent from the year-ago week's 169,807, even though several plants were down last year for model changeover.

Last week's scheduled car production was split as follows: General Motors, 44.99 percent; Ford Motor Co., 23.29 percent; Chrysler Motors, 14.47 percent; Honda of America Manufacturing, 5.50 percent; Mazda Motor Manufacturing U.S.A. Corp., 3.14 percent; New United Motor Manufacturing Inc., 2.84 percent; Nissan Motor Manufacturing Corp. U.S.A., 2.34 percent; Toyota Motor Manufacturing U.S.A., 2.32 percent; and Diamond-Star Motors, 1.11 percent.

The Pontiac Grand Prix line at GM's Fairfax, Kan., plant closed last week for 30 days for model changeover. GM's Doraville, Ga., plant closed last week for 25 days to add a four-door version of the Oldsmobile Cutlass Supreme.

Ford's Edison, N.J., plant, closed May 22 to reduce inventory of the Escort, resumed output last week.

Ford's Wayne, Mich., plant is slated to resume output today after being idled to cut inventory.

Trucks at peak in Canada, too

Canadian truckmakers produced an all-time May high of 90,661 trucks last month, beating last May's record of 80,443 by 12.70 percent. Production was 9.88 percent above April's 82,509.

Last week's targeted truck output of 18,791 dipped 2.74 percent from the previous week's 19,321 and was 6.47 percent below the year-ago week's 20,091.

May car output totaled 91,762, up 7.59 percent from April's 85,286 but 17.12 percent below the year-ago month's 110,719.

Automakers' scheduled production of 19,759 units last week was 13.90 percent below the previous week's 22,950 and 27.34 percent below the year-ago week's 27,192.

Ford Motor Co.'s Oakville, Ontario, plant resumes output today after being closed for a week by problems in the paint operation.

U.S. CAR	Week Ended June 10, 1989	Week Ended June 11, 1988	Week Ended June 3, 1989	May Total	Jan. 1 to June 10, 1989	Jan. 1 to June 11, 1988
Horizon	700	2,537	722	3,622	8,676	44,307
Sundance	2,500	2,644	2,091	11,443	54,684	49,672
Reliant	0	3,297	0	0	0	49,073
Acclaim	3,000	0	3,253	12,628	57,523	0
Caravelle	0	170	0	0	0	9,673
Gran Fury	0	492	0	0	0	6,219
Total Plymouth	6,200	9,140	6,066	27,693	120,883	158,944
LeBaron K	0	0	0	0	0	7,955
LeBaron J	2,600	2,116	2,223	12,388	55,430	35,254
LeBaron GTS	0	280	0	0	2,946	4,366
N. Yorker C-Class	1,600	2,870	1,467	8,637	51,040	54,816
Fifth Avenue	0	336	0	0	0	14,202
Total Chrysler	4,200	5,602	3,690	21,025	109,416	114,893
Omni	800	2,508	710	4,236	10,053	43,898
Daytona	1,800	2,128	1,479	8,264	46,744	34,200
Shadow	2,100	2,290	1,797	9,812	52,837	51,266
Aries	0	3,083	0	0	0	41,437
Dodge 600	0	166	0	0	0	8,492
Dynasty	3,100	2,298	2,428	14,526	72,963	51,061
Lancer	0	171	0	0	1,528	4,867
Spirit	2,200	0	2,217	11,205	52,208	0
Diplomat	0	383	0	0	0	10,309
Total Dodge	10,000	13,027	8,631	48,043	236,333	245,530
CHRYSLER MOTORS	20,400	27,769	18,387	96,761	466,632	519,367
Escort	3,000	9,420	4,270	33,468	152,129	174,574
Mustang	4,136	4,579	3,316	16,963	104,868	97,893
Tempo	2,813	3,996	2,360	12,865	72,351	91,754
Taurus	8,076	9,623	6,257	35,093	181,442	186,536
Thunderbird	3,667	3,863	2,610	13,823	79,294	74,789
Total Ford Div.	21,692	31,481	18,813	112,232	590,084	625,546
Topaz	1,587	1,544	1,139	6,801	32,859	34,267
Cougar	2,416	2,587	1,748	11,497	66,411	55,739
Sable	2,534	3,062	1,990	11,311	59,111	65,217
Total Mercury	6,537	7,193	4,877	29,609	158,381	155,223
Continental	1,411	949	1,152	6,327	33,218	21,175
Mark VII	440	463	384	1,768	11,854	11,672
Lincoln	2,750	2,848	2,304	11,882	61,417	67,796
Total Lincoln	4,601	4,260	3,840	19,977	106,489	100,643
Total L-M Division	11,138	11,453	8,717	49,586	264,870	255,866
FORD MOTOR CO.	32,830	42,934	27,530	161,818	854,954	881,412
Skyhawk	0	0	0	1,178	6,857	11,350
Skylark/Somerset	1,405	1,521	1,146	6,223	26,939	21,959
Century	2,830	3,790	2,227	11,752	56,807	50,156
Riviera	224	159	186	1,089	10,828	3,211
Electra	1,415	2,259	1,693	8,004	39,353	40,613
LeSabre (fwd)	4,292	2,450	3,287	20,175	72,684	58,692
LeSabre (rwd)	70	224	65	305	3,654	4,630
Reatta	0	220	146	684	3,140	2,658
Total Buick	10,236	10,623	8,750	49,410	220,262	193,269
Cimarron	0	0	0	0	0	3,696
Eldorado	969	1,212	795	3,292	18,085	20,057
Seville	720	725	577	2,387	13,281	12,500
Brougham (rwd)	705	467	498	2,729	18,117	17,593
Deville (fwd)	4,105	3,423	3,277	18,297	101,251	84,047
Allante	75	56	60	225	1,513	1,128
Total Cadillac	6,594	5,883	5,207	26,930	152,247	139,021
Cavalier	6,973	7,926	6,652	34,788	180,509	162,664
Camaro	2,745	2,356	2,243	12,105	57,845	40,179
Celebrity	2,215	5,335	1,682	8,785	61,869	84,724
Corsica/Beretta	8,770	9,393	7,031	39,435	194,183	120,698
Caprice	4,450	5,692	3,215	17,811	93,469	91,911
Corvette	560	446	447	2,465	12,136	9,847
Total Chevrolet	25,713	31,148	21,270	115,389	600,011	578,023
Calais	2,195	3,040	1,758	9,586	45,204	55,250
Firenza	0	0	0	0	0	5,220
Cutlass Ciera	1,940	1,571	1,529	8,237	39,922	4,496
Cutlass Supreme	0	4,064	2,518	15,830	51,125	96,200
Toronado	315	478	246	711	4,816	8,771
88 (fwd)	2,952	3,956	2,186	17,817	75,842	77,776
88 (rwd)	200	149	180	867	3,784	5,722
Olds 98	1,095	1,560	883	4,591	38,819	38,476
Total Oldsmobile	8,697	14,818	9,300	57,639	259,512	291,911
Sunbird	3,147	2,151	2,510	14,966	71,244	49,982
Grand Am	4,800	6,174	3,878	22,721	115,446	114,367
Firebird	1,320	1,568	1,079	5,699	31,973	29,569
Grand Prix	0	3,264	3,188	17,564	69,565	57,405
Pontiac 6000	805	1,452	811	5,488	39,652	37,509
Bonneville	2,001	3,260	1,090	8,066	45,488	52,579
Safari/Parisienne	90	103	92	606	2,594	4,013
Fiero	0	503	0	0	0	9,167
Total Pontiac	12,163	18,475	12,648	75,110	375,962	354,591
GENERAL MOTORS	63,403	80,947	57,175	324,478	1,607,994	1,556,815
DIAMOND-STAR	1,566	0	1,250	5,504	21,793	0
HONDA	7,750	7,699	5,996	33,940	175,260	168,692
Civic	2,713	2,429	2,054	11,414	59,196	45,052
Accord	5,037	5,270	3,942	22,526	116,064	123,640
MAZDA†	4,427	2,541	3,533	17,848	107,371	39,254
NISSAN	3,294	2,594	2,185	11,115	53,504	45,398
NUMMI	4,000	3,311	3,410	18,822	90,659	73,611
Corolla	1,600	1,243	1,326	7,237	36,715	27,902
Geo Prizm/Nova	2,400	2,068	2,084	11,385	53,944	45,709
TOYOTA	3,275	0	2,529	11,175	48,635	0
VOLKSWAGEN	0	2,012	0	0	0	27,110
Golf/GTI	0	2,012	0	0	0	21,557
Jetta	0	0	0	0	0	5,553
Total Cars, U.S.	140,945	169,807	121,995	681,261	3,426,802	3,311,659
Total Cars, Canada	19,759	27,192	22,950	91,762	457,803	545,629
U.S., Canada Cars	160,704	196,999	144,945	773,023	3,884,605	3,857,288
U.S., Canada Cars and Trucks	270,692	303,510	237,153	1,256,630	6,390,963	6,236,796

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended June 10, 1989	Week Ended June 11, 1988	Week Ended June 3, 1989	May Total	Jan. 1 to June 10, 1989	Jan. 1 to June 11, 1988
Premier	1,275	1,581	0	3,749	19,909	33,494
CHRYSLER MOTORS	1,275	1,581	0	3,749	19,909	33,494
Tempo	0	3,285	3,342	8,042	66,072	93,792
Topaz	0	1,617	1,449	3,459	27,976	31,471
Crown Victoria	2,647	2,793	2,645	12,622	61,478	64,022
Grand Marquis	2,554	2,944	2,572	12,448	67,212	63,717
FORD MOTOR CO.	5,201	10,639	10,006	36,571	222,738	253,002
Celebrity	995	650	990	3,637	8,844	10,030
Cutlass Ciera	2,565	7,361	2,596	12,397	77,927	128,525
Lumina	5,785	0	5,089	17,108	46,560	0
Pontiac 6000	0	1,532	0	0	0	25,200
Regal	1,758	4,089	1,978	8,567	35,778	76,050
GENERAL MOTORS	11,103	13,632	10,653	41,709	169,109	239,805
HONDA	1,650	1,060	1,672	7,251	37,324	16,148
TOYOTA	350	0	437	1,690	4,760	0
VOLVO	180	180	180	792	3,963	3,180
Total Cars, Canada	19,759	27,192	22,950	91,762	457,803	545,629

U.S. TRUCK☆	Week Ended June 10, 1989	Week Ended June 11, 1988	Week Ended June 3, 1989	May Total	Jan. 1 to June 10, 1989	Jan. 1 to June 11, 1988
Caravan	2,200	1,596	2,045	10,005	51,655	46,504
Dakota	2,200	2,087	2,365	10,559	52,873	53,940
Caravan C/V	100	366	132	503	4,129	7,222
Ram pickups	2,400	2,065	2,387	10,602	53,130	32,679
Total Dodge	6,900	6,114	6,929	31,669	161,787	140,345
Cherokee	5,400	4,345	4,616	22,186	108,783	83,991
Comanche	600	1,000	508	2,608	15,055	21,959
Grand Wagoneer	300	350	270	840	6,343	6,930
Wagoneer	100	297	98	510	4,104	6,004
Total Jeep	6,400	5,992	5,492	26,144	134,285	124,084
Voyager	2,100	1,436	1,887	9,339	49,126	42,884
Town & Country	100	0	185	613	793	0
Total C-P Div.	2,200	1,436	2,072	9,952	49,919	42,884
CHRYSLER MOTORS	15,500	13,542	14,493	67,765	345,991	307,313
Aerostar	4,932	3,678	3,910	21,909	113,621	100,209
Bronco	1,448	1,284	1,270	6,709	38,837	28,338
Bronco II	2,978	2,509	1,941	11,012	61,039	62,858
Econoline	5,215	5,198	4,204	22,874	114,720	114,872
Heavy trucks	1,286	1,510	1,046	5,783	31,389	31,882
Light trucks	11,687	10,281	9,251	52,776	257,531	236,167
Ranger	7,604	7,891	4,847	27,503	160,549	169,230
Total Ford Div.	35,150	32,351	26,469	148,566	775,686	743,556
FORD MOTOR CO.	35,150	32,351	26,469	148,566	775,686	743,556
Astro	2,970	3,883	2,556	15,007	78,339	79,558
Blazer	565	679	527	2,539	13,039	12,850
Mediums/Heavies	0	433	0	0	1,312	8,352
P-Model	869	807	724	3,746	16,256	18,090
Pickups	8,099	7,518	6,267	35,093	164,660	154,184
S-10	5,074	5,900	2,486	21,701	123,835	133,667
S-10 Blazer	3,960	3,666	2,961	17,241	88,483	76,342
Sportsvan/Van	2,304	2,041	1,664	9,612	46,126	39,465
Suburban	1,594	1,780	1,505	7,147	36,386	33,978
Total Chevrolet	25,435	26,707	18,690	112,086	588,436	556,486
Jimmy	165	169	165	797	3,937	3,806
Mediums/Heavies	0	658	0	0	1,496	18,462
P-Model	97	194	110	510	2,146	2,559
Pickups	2,406	2,100	1,839	9,561	55,082	48,104
S-15	1,066	1,247	2,414	5,534	30,778	31,207
S-15 Jimmy	1,061	901	863	4,922	25,253	19,946
Safari	790	935	701	4,033	20,127	20,395
Suburban	601	763	565	2,824	14,536	16,007
Vandura/Rally Vans	650	468	458	2,596	12,538	16,927
Total GMC	6,836	7,435	7,115	30,777	165,893	177,404
GENERAL MOTORS	32,271	34,142	25,805	142,863	754,329	733,890
NAVISTAR	1,920	1,962	1,282	8,279	40,215	40,417
NISSAN	2,906	1,673	1,978	9,957	58,216	51,498
AM GENERAL	450	450	360	2,016	10,080	10,260
MISCELLANEOUS	3,000	2,300	2,500	13,500	62,600	52,440
Total Trucks, U.S.	91,197	86,420	72,887	392,946	2,047,117	1,939,374

CANADIAN TRUCK	Week Ended June 10, 1989	Week Ended June 11, 1988	Week Ended June 3, 1989	May Total	Jan. 1 to June 10, 1989	Jan. 1 to June 11, 1988
Caravan	2,988	2,982	2,501	13,250	69,161	68,606
Caravan C/V	336	324	287	1,426	5,752	6,720
Ram Wagon	0	563	530	2,997	13,098	11,437
Ram Van	0	1,469	1,371	7,486	33,900	29,510
Total Dodge	3,324	5,338	4,589	25,159	121,911	116,273
Voyager	2,820	2,615	2,241	11,289	61,224	62,764
Total Plymouth	2,820	2,615	2,241	11,289	61,224	62,764
Wrangler	1,700	1,080	1,512	7,878	38,232	23,065
Total Jeep	1,700	1,080	1,512	7,878	38,232	23,065
CHRYSLER MOTORS	7,844	9,033	8,442	44,326	221,367	202,102
FORD MTR. (lt. trks.)	3,648	3,518	3,431	15,521	79,024	81,528
Light trucks	3,510	3,747	3,719	14,383	72,452	67,502
Vans	1,447	1,533	1,454	5,676	31,031	28,699
Total Chevrolet	4,957	5,280	5,173	20,059	103,483	96,171
Light trucks	1,370	1,469	1,317	6,704	34,351	36,691
Vans	698	526	853	2,875	15,237	15,532
Total GMC	2,068	1,995	2,000	9,579	49,588	54,223
GENERAL MOTORS	7,025	7,275	7,173	29,638	153,071	150,394
NAVISTAR	274	285	275	1,176	5,769	5,110
Total Trks., Canada	18,791	20,091	19,321	90,661	459,231	439,134
U.S., Canada Trks.	109,988	106,511	92,208	483,607	2,506,348	2,378,508

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.